

DAILY REPORT

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LDP NATIONAL CONVENTION TO REVISE ELECTORAL RULES

OW191329Y Tokyo KYODO in English 1238 GMT 19 Jan 78 OW

[Text] Tokyo, Jan 19 KYODO--The ruling Liberal-Democratic Party's 34th regular national convention will open at Hibiya Public Hall in Tokyo Friday with revision of party presidential-election rules at the top of the agenda.

Scheduled to take part are LDP members of both houses of the Diet, delegates of local party organizations and representatives of about 1,500 affiliated organizations.

The convention is scheduled to elect Seigo Hamano, member of the House of Representatives, to the chair, and then hear a report by Secretary General Masayoshi Ohira and an address by Prime Minister Takeo Fukuda, who is president of the party. Ohira and Fukuda are expected to emphasize that the conservative political forces are regaining their strength, as seen from the outcome of last Summer's upper house elections, and urge all LDP members to rise and overcome the present economic crisis.

The convention is scheduled to close the same day after approving revision of party regulations, including those concerning presidential elections, and movement plan [as received] for 1978, and adoption of resolutions including one calling for the restoration of the Soviet-held northern territories.

According to the proposed presidential-election reform, the LDP president is to be elected by votes of all regular and associate members of the party in two stages.

In the first stage, a primary election, an election of presidential candidates will be held on the prefectural level with the participation of regular and associate party members in each prefecture. The second stage is the formal election of the president with the participation of dietmen. The formal election is to be a contest between the two candidates who polled the most votes in the primaries. The LDP is scheduled to hold its first presidential election under the new system this fall.

PRIME MINISTER FUKUDA INTERVIEWED ON FOREIGN POLICY

OW180947Y Tokyo JOAK Television in Japanese 1100 GMT 17 Jan 78 OW

[Interview with Prime Minister Fukuda by chief NHK commentator Akira Ogata and novelist Sakyo Komatsu on "how Japan should conduct itself in the international community"--apparently videotaped; date not given]

[Excerpts] [Ogata] Mr Prime Minister, various events have occurred since the beginning of the new year. Japan is a member of the international community, influencing and being influenced by it. It seems that the rate of this interaction is increasing. In other words, we live in such an age that when you, Mr Prime Minister, make policy decisions or take political actions, your decisions and actions affect not only the Japanese people but the world's people as well. I would like to ask questions along this line today.

Since last fall, difficult trade negotiations have been carried out between Japan and the United States and they were tentatively concluded in early January this year. You are probably relieved. What was at the heart of the issue?

[Fukuda] Some people are apt to use the expression "Japan-U.S. economic friction." But the recent Japan-U.S. talks were not based on friction, but rather I think that through the talks, Japan and the United States explained their problems to each other. As Mr Ogata has just pointed out, Japan, needless to say, does not live alone in the world. The same is true for the United States. In particular, the United States has a great responsibility in global affairs, and the world's situation is very uncertain. This uncertainty can be traced to economic problems. The United States is the world's biggest economic power, and Japan is the second biggest industrialized nation in the free world. The United States and Japan discussed ways to remedy the world's economic problems. Another thing we should note is the fact that the United States has a huge international payments deficit. This is another root cause of the world's economic problems. On the other hand, Japan has a huge international payments surplus which also sows the seeds of the world's economic uncertainty. The two countries focused their discussions on how they could remedy the world's economic uncertainty. Some people talked as if our talks had centered on the U.S. demand that Japan import more oranges or beef. However, this was not the case. This question was of secondary importance. The basic point of discussion between the two countries was how to deal with the world's economic uncertainty.

[Ogata] A look at history shows that there have been periods of collaboration or friction or other problems between Japan and the United States. Research into historical data makes it possible for us to understand somewhat the American and Japanese approaches to doing things. I mention this at the risk of repeating myself.

[Fukuda] Undoubtedly over the past 100 years of Japanese-American relations there were some critical periods, however, times have changed. The world is operating as one entity, and in this global context, the United States is playing the world's biggest role. Japan should now be second to the United States in sharing global responsibility. From this point of view, past frictions in history look very trivial. I think that Japan and the United States are at the threshold of an era where they can avoid friction by discussing and finding ways of sharing responsibility for the world. Prior to the oil crisis, there were various complex problems between the two nations, such as the reopening of U.S. diplomatic talks with China without Japan's knowledge, Okinawa's reversion, and textile negotiations. However, I feel that we are now slowly entering an era in which Japan and the United States cannot afford to involve themselves in such difficulties that were experienced in the past.

[Ogata] As you have said, Mr Prime Minister, compared with the 1971-72 years of the Nixon administration, Japan-U.S. relations have remarkably improved, objectively speaking, although this is of course my personal opinion. I think that the relations have become even closer and better. One thing I would like to add is that as you have just pointed out, when you meet with the President of the United States, you must tackle problems whose substance is of extremely great significance, and in this sense alone, I think that Japan-U.S. relations involve very difficult problems.

[Fukuda] Yes, indeed. As you know, I met with President Carter in Washington in March last year. Our discussions at that meeting involved a few problems between Japan and the United States. We talked mostly about problems relating to world stability and the role of Japan and the United States in this connection. At that time, I said to President Carter that a recurrence of protectionism in trade would lead to grave consequences. President Carter said that he agreed with me totally. Thus, keeping in step with each other, we attended the London summit meeting of industrial nations in May, at which I made a strong appeal to other leaders against protectionism and President Carter also made a similar appeal.

Thus, the result was that the London summit meeting adopted a pledge of not resorting to protectionism.

Pardon me for being repetitious but I would like to add that from now on Japan-U.S. relations should be defined in global perspectives rather than in terms of separate, individual interests of each nation.

[Ogata] Of all East-West problems, our relations with the Soviet Union and China are the most important ones to us, I believe. We already have some real issues in this area. Aside from your immediate plans in this respect, we would be happy if you tell us your basic concept of Japan-Soviet and Japan-China relations. According to my observations, you have been seeking a East-West balance in the interest of our nation. Specifically, it is my observation that you seek a balanced relation with both the Soviet Union and China. Over specific issues which recently emerged, however, it seems that you are faced with the question of priorities between Japan-China treaty talks and the nation's relations with the Soviet Union. I would like to ask you if there has been any change in your basic plans?

[Fukuda] My idea of global diplomacy is "omnidirectional peace diplomacy" toward all countries. Relations with the United States are of course very important to Japan; on the basis of this relationship with the United States, Japan should maintain a position of equal distance toward all other countries of the world, striving for a relationship based on mutual trust with them.

Regarding our relations with China and the Soviet Union as you have just mentioned, I would say that in terms of phenomena, there might be cases where Japan-China relations would take priority over Japan-Soviet relations and vice versa. The basic concept, however, should be that Japan maintains a position of equal distance and balance toward both of them. This has been my thinking and there has been no change whatsoever in it.

[Ogata] Do you mean that the Japanese Government will approach a particular foreign policy problem during the year without making any basic change in its concept?

[Fukuda] Yes, without any basic change.

[Komatsu] No one can deny the possibility that in the future, there may come to be such a thing as an economic growth quota assigned to each country. In case of the latest development in Japan-U.S. relations, it turned out to be a 7 percent growth rate for Japan.

[Fukuda] Japan did not promise a 7 percent growth rate.

[Komatsu] Do you mean that Japan set it as a goal?

[Fukuda] Toward the end of last year, in the middle of Japan-U.S. trade negotiations, U.S. officials raised three problems when they asked us to eliminate our current-account surplus by the end of 1978, double our imports of industrial goods, and to set out policies in the direction of a 7 or 8 percent growth rate. My response was that as the first and second problems concern both Japan and the United States, they may very well have a say in them, and that the third problem they raised, the problem of economic growth, however, is our domestic affairs. Therefore, we cannot meet the U.S. request on it, I said. As a result, we turned down their request on the matter of economic growth. Since then, the United States has not raised any question about our economic growth.

The only thing that occurred between the two countries in this respect was that we notified the United States of the fact that we have made a policy decision on attaining a 7 percent growth rate, and that the United States welcomed our decision. This is what happened.

[Ogata] The Japanese economy is currently in difficulties. Furthermore, internationally, there is a demand for a qualitative change in our economy in view of its global obligations. Do you think that such a qualitative change is possible, Mr Prime Minister?

[Fukuda] I do not think that it is an easy thing to do. Our system, unlike systems in other countries, includes a large number of small and medium-size enterprises. Liberalization of our economy therefore will inevitably cause considerable domestic problems. It is not an easy task. Nevertheless, while taking measures to prevent all quarters concerned in this country from being thrown into unrest and confusion, we should proceed with the liberalization process vigorously and patiently.

FUKUDA, OFFICIALS DIFFER OVER 7 PERCENT GROWTH RATE

OW190101Y Tokyo KYODO in English 0041 GMT 19 Jan 78 OW

[Text] Tokyo, Jan 19, KYODO--An apparent difference of views surfaced Wednesday over the government's latest announcement that Japan will try to attain 7 percent real economic growth during the year beginning in April. Masayoshi Ohira, secretary general of the ruling Liberal-Democratic Party, Wednesday expressed his belief that the announcement is "an important global commitment our country has given." "Therefore, we will have to do everything we could to keep that promise," Ohira emphasized in a speech he delivered as a guest speaker at the 42nd national business managers meeting held at a local hotel by the Japan Business Managers Association. Ohira cited the clear expression of that intention of Prime Minister Takeo Fukuda's government in a joint statement issued here last Friday with Robert S. Strauss, visiting U.S. presidential representative for trade negotiations. Ohira also said the outcome of the Japan-U.S. trade talks was not entirely satisfactory to the American side, but the Fukuda government's promise "had decidedly worked in breaking through the stalemate" in the talks. He also admitted much difficulty in attaining such a high economic growth rate in the coming fiscal year, saying "Some people fear the promise had gone somewhat too far, and that fear is not necessarily hard to understand." But he saw an absolute need for the nation to make good that "global commitment" since it has been given anyway.

Toshio Komoto, minister of international trade and industry, Tuesday expressed the same belief in his speech before a working luncheon at the Japan National Press Club (Nippon Kisha Club) in Tokyo. "That is an international pledge, and we are ready to introduce whatever policy measures necessary to attain that growth rate," he said. However on the same day, Prime Minister Fukuda himself, speaking at a meeting of businessmen, explained that the reference to the 7 percent economic growth in the joint statement was "not a promise, but our policy target."

Asked about the divergence of views between Ohira and Komoto on one side and Fukuda on the other, Chief Cabinet Secretary Shintaro Abe told a press conference Wednesday that the growth rate as referred to in the joint statement was "our domestic policy target" as stated by Fukuda. Abe said: "It is not our promise given to the United States. It's our own business in which others should not meddle." But Abe added, "The 7 percent target we have set has been highly evaluated internationally, and we will naturally do everything in our power to attain it." He shrugged off a suggestion put by a reporter that Fukuda and his ministers need to adjust their apparent difference of views.

SOVIET PARTY-GOVERNMENT DELEGATION ARRIVES 18 JAN

Welcomed at Airport

SK190346Y Pyongyang KCNA in English 0333 GMT 19 Jan 78 SK

[Text] Pyongyang January 19 (KCNA)--A party and government delegation of the Soviet Union arrived in Pyongyang on January 18 by special plane to pay an official goodwill visit to our country at the invitation of the Central Committee of the Workers Party of Korea and the Government of the Democratic People's Republic of Korea.

The delegation headed by Comrade D.A. Kunayev, member of the Political Bureau of the Central Committee of the Communist Party of the Soviet Union, member of the Presidium of the Supreme Soviet of the USSR and first secretary of the Central Committee of the Kazakh Communist Party, consists of N.N. Tarasov, member of the Central Committee of the Communist Party of the Soviet Union, minister of light industry of the Soviet Union and chairman of the Central Committee of the Soviet-Korean Friendship Society; V.P. Lomakin, member of the Central Committee of the Communist Party of the Soviet Union and first secretary of the Maritime Provincial Party Committee; L.F. Ilyichov, member of the Central Auditing Commission of the Communist Party of the Soviet Union and vice-minister of foreign affairs of the Soviet Union; O.A. Chukanov, deputy department director of the Central Committee of the Communist Party of the Soviet Union; and G.A. Kriulin, alternate member of the Central Committee of the Communist Party of the Soviet Union and ambassador of the Soviet Union to our country.

When the plane touched down, working people at the airport welcomed the guests, waving bunches of flowers.

The delegation was met at the airport by Comrade Kye Ung-tae and personages concerned Yi Chang-son, Yi Chong-mok, Kim Kil-hyon, Yi Hyong-ghom and Kim Chae-pong, ambassador of our country to the Soviet Union, and staff members of the Soviet Embassy in Pyongyang.

The delegation left Moscow on January 16 for our country.

Received by Pak Song-chol

SK190351Y Pyongyang KCNA in English 0342 GMT 19 Jan 78 SK

[Text] Pyongyang January 19 (KCNA)--Comrade Pak Song-chol on January 18 met and had a friendly conversation with the party and government delegation of the Soviet Union which paid a courtesy call on him.

Present on the occasion were the members of the delegation headed by Comrade D.A. Kunayev, member of the Political Bureau of the Central Committee of the Communist Party of the Soviet Union, member of the Presidium of the Supreme Soviet of the USSR and first secretary of the Central Committee of the Kazakh Communist Party.

Present on the occasion were Comrade Kye Ung-tae and personages concerned Yi Chang-son, Yi Chong-mok, Kim Kil-hyon and Kim Chae-pong, ambassador of our country to the Soviet Union, and staff members of the Soviet Embassy in Pyongyang.

Wreath-Laying Ceremonies

OW191105Y Pyongyang KCNA in English 1012 GMT 19 Jan 78 OW

[Text] Pyongyang January 19 (KCNA)--The party and government delegation of the Soviet Union on an official goodwill visit to our country laid wreaths at the monument to the fallen fighters of the People's Army, the liberation obelisk and the friendship tower on January 18.

Present on the occasion were the members of the delegation headed by Comrade D.A. Kunayev, member of the Political Bureau of the Central Committee of the Communist Party of the Soviet Union, member of the Presidium of the Supreme Soviet of the USSR and first secretary of the Central Committee of the Kazakh Communist Party.

Also present were personages concerned Yi Chang-son, Yi Chong-mok, Kim Kil-hyon and Kim Chae-pong, ambassador of our country to the Soviet Union, and staff members of the Soviet Embassy in Pyongyang.

Honour guards of the Korean People's Army were standing before the monument to the fallen fighters of the People's Army, the liberation obelisk and the friendship tower.

The delegation was met by Kim Yong-yon and Yi Hyong-chom and other personages concerned in front of the monument to the fallen fighters of the people's army.

The delegation observed a moment's silence after laying a wreath at the monument to the fallen fighters of the People's Army.

The delegation also laid wreaths at the liberation obelisk and the friendship tower and observed a moment's silence respectively.

At the friendship tower, the delegation was met by Ambassador Lu Chih-hsien and staff members of the Chinese Embassy in Pyongyang.

18 Jan Banquet

SK190945Y Pyongyang Domestic Service in English 2305 GMT 18 Jan 78 SK

[Text] The Central Committee of the Workers Party of Korea and the Central People's Committee of the Democratic People's Republic of Korea on January 18 arranged a banquet at the People's Palace of Culture in honor of the party and government delegation of the Soviet Union on an official goodwill visit to our country.

Invited to the banquet were the members of the party and government delegation of the Soviet Union headed by Comrade D.A. Kunayev, member of the Political Bureau of the Central Committee of the Communist Party of the Soviet Union, member of the Presidium of the Supreme Soviet of the USSR and first secretary of the Central Committee of the Kazakh Communist Party, and staff members of the Soviet Embassy in Pyongyang.

Comrades Pak Song-chol and Kye Ung-tae and personages concerned Yi Chang-son, Yi Chong-mok, Kim Kil-hyon, Yi Hyong-chom and Kim Chae-pong, ambassador of our country to the Soviet Union, were present at the banquet.

Comrade Pak Song-chol made a speech at the banquet.

Warmly welcoming the party and government delegation of the Soviet Union, he said:

We welcome the goodwill mission from the Soviet Union with friendly sentiments because the peoples of our two countries fight together against imperialism and for the victory of the cause of socialism and are in the fraternal relationship of supporting and cooperating with each other on this road.

We believe that the current visit of the delegation to our country will mark an occasion in further developing the fraternal friendship established between our two parties and two countries and strengthening the mutual support and solidarity, he declared.

He said: The delegation is visiting our country at a time when our people, overwhelmed with the great joy and glory of having elected the great leader Comrade Kim Il-song again to the high post of president of the state and filled with hope and confidence, have risen up as one to overfulfill the first year tasks of the second seven-year plan, a grand program of economic construction for hastening the complete victory of socialism.

Our people are following with deep interest the struggle of the Soviet people, their next door brothers and comrades-in-arms. He pointed out that last year the Soviet people splendidly marked the 60th anniversary of the Great October Revolution which opened a new era in bringing about the transformation from capitalism to socialism.

He recalled that the Soviet people defended with blood the gains of October, frustrating the vicious schemings of the domestic and foreign enemies, and accelerated the revolution and construction thus converting their country, once backward, into a socialist power. Based on this brilliant success, today the Soviet people are vigorously carrying out the new 5-year plan struggle in order to build the country into a more developed one. As a result great successes have been achieved in the fields of agriculture, industry and science and technology, he said.

Our people sincerely rejoice over the successes of the Soviet people and heartily wish them still greater successes in their future struggle, he said.

He said: As a result of the vigorous struggle to expedite the complete victory of socialism, upholding the banner of the three revolutions of ideology, technology and culture unfolded by the respected and beloved leader Comrade Kim Il-song, our people have achieved many successes in all sectors of revolution and construction.

Noting that today our people are confronted with the heavy tasks to accelerate the socialist construction in the northern half of the republic and, at the same time, to foil the "two Koreas" plot of the domestic and foreign splittists and achieve the reunification of the country, he said:

The struggle of our people for forcing the U.S. troops out of South Korea and realizing the country's reunification is linked with the common struggle of the world's progressive peoples against imperialism and colonialism and for national liberation and socialism.

Declaring that the Soviet people have always supported and encouraged actively our people's cause of national reunification, he stated: We are very grateful for this.

The U.S. Imperialists occupying our country and imposing the sufferings of the national split upon our people are frantically persisting in the anticommunist rackets against the socialist countries, while styling themselves as a "defender" of democracy and human rights, and are becoming all the more unscrupulous in their scheme to alienate and destroy the world revolutionary forces, he said, and continued: The obtaining situation demands the socialist countries and all other progressive forces of the world to heighten vigilance against the crafty doubledealing tactics of the imperialists and wage a stauncher struggle against them.

The Korean people will fight to build a new world free from imperialism and colonialism in firm unity with the peoples of the Soviet Union and other socialist countries and all the revolutionary peoples of the world, holding high the revolutionary banner of anti-imperialism and independence, he declared.

Comrade D.A. Kunayev spoke next at the banquet. Expressing sincere thanks for the cordial hospitality accorded the delegation, he said: I am discharging with particular satisfaction the direct entrust of Comrade Leonid Ilich Brezhnev, general secretary of the Central Committee of the Communist Party of the Soviet Union and president of the Presidium of the Supreme Soviet of the USSR, to convey the fraternal and communist greetings and best wishes for successes, wellbeing and happiness to the leaders and all the working people of the Democratic People's Republic of Korea.

The party and government delegation of the Soviet Union regards its visit to the Democratic People's Republic of Korea as another proof of the fraternal relations established between our parties and countries, he noted.

Pointing out that last year marked a great event in the life of the Soviet people, he referred to the adoption of a new USSR Constitution. He said that the world socialist system constitutes an important gain for the international working class and constitutes the strength of the world people's anti-imperialist struggle and the world revolutionary [word indistinct]. Referring to the fact that functions celebrating the 60th anniversary of the Great October Socialist Revolution, in Moscow last year, were attended by delegations from many countries, he noted that the DPRK party and government delegation was among those present to express friendship toward the Soviet Union.

Saying that the Soviet people also have the feeling of genuine fraternal solidarity toward the Korean people, he went on: The Communist Party and the Government of the Soviet Union have invariably maintained relations with the Workers Party of Korea and the Democratic Peoples Republic of Korea on the basis of genuine equality, mutual respect and interest in each other's successes and in the spirit of true friendship, strong unity and close consideration. He said our friendship has strengthened through the joint struggle to liberate Korea from the colonial oppression of Japan. This friendship was further developed in the agreement on friendship, cooperation and mutual assistance between the Soviet Union and Korea.

The Soviet Union consistently demands realisation of the reunification of Korea, the cherished desire of the Korean people, he noted. He said: As Comrade L.I. Brezhnev stressed:

"We support the proposals of the Democratic People's Republic of Korea on making all foreign troops withdraw from South Korea and creating favourable conditions for achieving the reunification of the country on a peaceful and democratic basis without any outside interference."

Pointing out that the Soviet communists follow with sincere, good feeling the successes the Korean people have made in the building of a new life under the leadership of the Workers Party of Korea and its Central Committee headed by Comrade Kim Il-song, he said: Your successes gladden us. Referring to the implementation of the second 7-year plan for the development of our people's economy, he said that he sincerely wished the fraternal Korean people great success in the lofty work of socialism and the just struggle for the fatherland's peaceful reunification."

The attendants of the banquet raised glasses to the fraternal friendship and solidarity between the Korean and Soviet peoples, to the good health and long life of the great leader of our people Comrade Kim Il-song and to the good health and long life of esteemed Comrade Leonid Ilich Brezhnev, general secretary of the Central Committee of the Communist Party of the Soviet Union and president of the Presidium of the Supreme Soviet of the USSR. The banquet proceeded in a friendly atmosphere.

WORLD LEADERS GREET PREMIER YI CHONG-OK'S ELECTION

OW161121Y Pyongyang KCNA in English 1000 GMT 16 Jan 78 OW

[Text] Pyongyang January 16 (KCNA)--Messages of greetings came to Comrade Yi Chong-ok from foreign countries upon his election as premier of the Administration Council of the Democratic People's Republic of Korea.

Messages of greetings came to Comrade Yi Chong-ok, premier of the Administration Council from: Hua Kuo-feng, premier of the State Council of the People's Republic of China; Aleksey Nikolayevich Kosygin, chairman of the Council of Ministers of the Union of Soviet Socialist Republics; Manea Manescu, premier of the Government of the Romanian Socialist Republic; Veselin Djuranovic, president of the Federal Executive Council of the Socialist Federal Republic of Yugoslavia; Willi Stoph, chairman of the Council of Ministers of the German Democratic Republic; Lubomir Strougal, premier of the Government of the Czechoslovak Socialist Republic; Gyorgy Lazar, chairman of the Council of Ministers of the Hungarian People's Republic; Stanko Todorov, chairman of the Council of Ministers of the Bulgarian People's Republic; Mehmet Shehu, chairman of the Council of Ministers of the People's Socialist Republic of Albania; Piotr Jaroszewicz, chairman of the Council of Ministers of the Polish People's Republic; Pham Van Dong, premier of the Government of the Socialist Republic of Vietnam; Pol Pot, prime minister of the Government of Democratic Cambodia; Kaysone Phomvihane, prime minister of the Government of the Lao People's Democratic Republic; Houari Boumediene, president of the Algerian Democratic and Popular Republic and president of the Council of Revolution; Mohamed Lamine Ould Ahmed, prime minister of the Government of the Saharan Arab Democratic Republic; 'Abd al-Rahman Khulayfawi, premier of the Syrian Arab Republic; Suharto, president of the Republic of Indonesia; Abdus Sattar, vice-president of the People's Republic of Bangladesh; J. R. Jayewardene, prime minister of the Republic of Sri Lanka; Datuk Hussein bin Onn, prime minister of Malaysia; 'Ali Nasir Muhammad Hasani, prime minister of the People's Democratic Republic of Yemen; Manduh Salim, prime minister of the Arab Republic of Egypt; and 'Abd al-'Ati al-'Ubaydi, chairman of the General People's Committee of the Socialist People's Libyan Arab Jamahiriya.

The messages extended congratulations to Comrade Yi Chong-ok upon his election as premier of the Administration Council of the Democratic People's Republic of Korea and expressed the belief that friendly and cooperative relations with our country would continue to strengthen and develop.

TEXT OF PRESIDENT PAK'S NEW YEAR PRESS CONFERENCE

SK190138Y Seoul THE KOREA HERALD in English 19 Jan 78 pp 4-5, 7 SK

["Official translation" of ROK President Pak Chong-hui's New Year press conference, held in the Capitol building in Seoul 18 January]

[Text] I wish you and your families all blessings in the new year.

To begin with, let me briefly review developments last year both within and surrounding the country and present to you the basic direction of the government administration for this year.

The year 1977 was a very eventful one both internally and externally. The international scene was marked by violent changes and much confusion. Domestically we faced various trials and challenges. We pulled through them with wisdom, consolidating self-reliance and strengthening national power.

The wave of so-called detente between the United States and the Soviet Union which has swept international politics since 1970 seems to have suffered a considerable setback last year. As far as we know, the Strategic Arms Limitation Talks (SALT) have also hit a snag. In three out of the four big powers around us--the United States, the Soviet Union, Japan and communist China--a change of leadership took place in late 1976 and early 1977. The Soviet Union was the only exception. In the wake of such a transition in leadership, these governments have been preoccupied with formulating new foreign policies or adjusting old ones. However, no drastic changes in policy occurred last year. Efforts to explore a new world order are likely to continue for some time to come.

One major recent development in the Asian region has been the continued reinforcement of the Soviet military presence over the past several years, in contrast to the gradual winding down of the American role in this area. Since this development has a direct bearing upon our security, we will have to follow it closely.

We are highly encouraged to note that the members of the Association of Southeast Asian Nations have been actively revitalizing the role of that regional cooperative organization.

In Indochina, where war came to an end in the Spring of 1975, another war broke out late last year, this time between two communist countries. Thus the area appears to have become the venue for the rivalry between the Soviet Union and communist China.

The dramatic agreement between Egypt and Israel to seek a negotiated settlement toward the end of 1977 seemed to hold out a very bright hope for the solution of the Middle East conflict. But the attempt has encountered many difficulties in recent weeks. There are many who are not altogether optimistic about the prospect for peace in the area.

Racial disputes are raging in the southern part of the remote African continent. They have been long drawn out and are not likely to be settled right away.

A dispute over territorial claims broke out between Ethiopia and Somalia on the Red Sea. According to foreign dispatches, troops of the Soviet Union and Cuba, and even of the Warsaw Pact members are known to be intervening. As long as these countries actively support Ethiopia, the hostilities may intensify further.

Despite the efforts of the big powers to ease tension in the 1970s, the international relations of today are still marred by an arms race among the big powers, racial disputes, emotional rivalries, conflicts over resources and security, and the involvement of big powers in regional troubles. They constitute major causes of tension.

It has been our basic position that all these disputes and conflicts, be they caused by racial and ideological differences or by a contest to acquire natural resources, should be resolved by peaceful means.

In order to prevent war and seek peaceful solutions to various problems it is essential for the parties concerned to engage in direct dialogue and negotiations. The same is true with the issue of south and north on our peninsula.

Mankind has had innumerable wars throughout history. And today the world possesses a formidable destructive power that could result in the greatest tragedy ever witnessed. I believe, therefore, that it is our utmost moral task to maintain world peace. This is naturally the desire of all mankind.

From this viewpoint, I made it clear a long time ago that direct dialogue and negotiations are necessary even among nations which differ in ideology and systems.

Now I would like to touch on international economic problems. International economic relations have become increasingly complex and difficult due to the oil crisis that erupted in the early 1970s, the advent of resources nationalism and economic confrontation between "north and south," and lately to the issue of marine economics. These issues are becoming even more serious as advanced countries come to strengthen their protective trade policies.

These advanced countries are of course faced with such difficult problems as the protection of their national industries and unemployment. But if they keep restricting imports from developing countries, as they do now, I am afraid it will become difficult to normalize international economic activity that has already been damaged by the oil crisis.

It is true that our economy is growing steadily. But it is still confronted with the various restraints and difficult problems which I pointed out above. It is our imminent task to cope with these restraints and difficulties.

Next I would like to make a few comments on domestic issues. Last year we faced various calamities one after another. As you know well, we witnessed, for instance, a serious drought in the Yongnam and Honam areas, a heavy flood in Seoul and Kyonggi Province, the horrible explosion at the Iri railroad station, and tragic accidents in the mines. The natural disasters and tragic accidents resulted in the loss of many lives and much property.

But we were able to overcome such formidable disasters through national determination and the good will of our fellow countrymen.

It is widely said that a great people will display their true colors during a time of emergency. During the past year, we have come to rediscover and recognize this vital reserve of national strength which has overcome such disasters.

I would like to take this opportunity to express my gratitude to my fellow countrymen for their warm concern for their fellow countrymen fully demonstrated during each disaster. I would like also to extend my deepest solace and encouragement to those victims of the sudden disasters who are working hard toward reconstruction amid pain.

My fellow countrymen, last year was not a year of pain and misery alone. It was a fruitful year as well, and one which brought to us remarkable growth and confidence. Our farmers overcame natural disasters by the sweat of hard work and provided us with an unprecedentedly rich harvest. They produced 4,940kg of rice per hectare, which marks a world record, and which amounted to 40 million "sok" of rice, representing a surplus.

Income of each farm household rose rapidly, with the average incomes totaling more than 1.4 million won (\$4,900) toward the end of last year, a target originally scheduled for 1981. The amount indeed was reached four years ahead of target. Last year, [we] also achieved \$10 billion in exports, four years ahead of the target year, 1981.

Another important fact about our economic growth is that our balance of payments, which had been in the red, was in the black for the first time last year. This is indeed a very important fact. We also achieved a remarkable development in our defense industry last year, further advancing our plans for a self-reliant defense.

Coupled with economic growth, we also witnessed remarkable advances in our spiritual and cultural life. Matching developments in various other fields, our young people fully displayed their talents internationally in the fields of the arts, sports and technical skills and thereby promoted our national prestige.

These achievements no doubt derive from a strengthened national unity, the spirit of saemaul based on diligence, self-reliance and cooperation, and from a confidence fostered by past achievement.

As our history manifests, we have always made remarkable advances during times when we were firmly united and full of vigor and energy.

Whatever the evaluation of us, I believe we should take pride in our having assumed the principal role of creating a new history of national revival. In retrospect, the year 1977 marked a significant page in our history.

I would like to take this opportunity to express again my warm thanks to all our countrymen for their endurance, extraordinary efforts and cooperation with government policies last year as we achieved such national progress.

Now let me introduce the basic government policies which are necessary for us to achieve our national targets for this year under present domestic and international circumstances.

First, we should enhance our spirit of self-reliance and strengthen our national unity. That is, each individual should think of himself as the master of his country. As this consciousness is strengthened, so is our sense of responsibility for our country, for history, and for our offspring. Our entire national unity is enhanced as these spirits are strengthened.

Second, we should maintain our economic stability and continued growth. Today our economy is almost on the stage of self-reliance. And we should continue to make efforts for our economic stability and growth.

Third, let us nourish our capacity for national defense with a posture of all-out security.

The spirit of independence, self-reliance and self-defense constitute the very powerhouse of our national development.

Now I would like to answer your questions.

Question: Many important changes are foreseen for this year, both internally and externally, including the scheduled withdrawal of the first group of U.S. ground troops from Korea. Would you outline the foreign policy course the government will pursue this year under such circumstances?

The president: The U.S. ground forces will begin withdrawing this year. The first group is expected to leave within this year as scheduled.

Despite the complex and delicate shifts in the international situation and world conditions which are growing ever more difficult, the basic direction of our foreign policy is aimed at consolidating our national security, expanding economic and cultural exchanges with all receptive nations, while consolidating the foundation for peace and prosperity. The basic goal and direction of our foreign policy are to lay the foundation for peaceful unification step by step.

There is no major change there.

Let me elaborate on security diplomacy.

Our national security is still closely linked with the United States. Some questions have been raised recently on a few issues pending between the two countries, but I believe that, in the long run, they can be solved satisfactorily if both sides pursue with mutual concession and cooperation the traditional friendship existing between Korea and the United States.

I don't consider these issues insoluble. I believe both countries should render their utmost cooperation in seeking the solutions.

The subject of security belongs on an entirely different level from other issues, and therefore we must continually uphold the Korea-U.S. joint defense system on the one hand and endeavor for satisfactory fulfillment of the compensatory measures agreed upon between the two countries in connection with the troop withdrawal on the other hand.

Also we will have to strengthen the friendly relations we have with other countries. I think we can win support from nonaligned nations by promoting cooperative relations in practical manners.

We will continue our open-door policy toward the nations of the communist bloc in the spirit of the June 23 declaration of 1973 and under the principle of reciprocity.

One encouraging fact is that the number of Third World nations seeking improvement of relations with our country is steadily increasing.

We foresee that before long even the communist countries will realize that it is unrealistic to maintain ties with North Korea alone on the Korean Peninsula without dismantling the barriers to relations with the Republic of Korea.

In economic and cultural diplomacy, we will make further efforts to diversify our trade and secure the natural resources needed for long-term industrial development. We will strengthen economic and technical cooperation with developing countries. Cultural exchanges will be also expanded to promote international friendship and national prestige.

During 1977 the government positively sought to establish economic cooperation with countries with which Korea had no diplomatic relations. We have progressed much in this area and in 1978 will double our efforts along these same lines.

One thing we have to understand about diplomacy is that whatever changes may occur in the international situation the key to our fate is our national strength. Recent trends in the international community have been to transcend ideological struggles in favor of seeking practical economic gains.

The secret of successful diplomacy is to foster incessantly national strength and self-reliance domestically and gain respect by acting in good faith in the community of nations.

In my view our national strength and good faith are the secrets of our successful diplomacy.

Question: North Korea perpetrated a number of provocations against us last year. Furthermore, Pyongyang is most likely to heighten tension this year, taking advantage of the withdrawal of U.S. ground forces. Would you tell us how we will cope with expected North Korean provocations making reference to self-defense preparedness?

The president: Under the so-called four major military policies North Korea has been going all-out to mobilize the North Korean population with desperate war preparations. It is believed such preparations have been completed by now.

It is crystal clear that North Korea will launch an invasion of the south whenever it thinks the time is ripe. Some foreigners who are not well informed of the nature of North Korea hold different views.

They say it will not start an invasion because Moscow and Peking would not support such an attempt. They might say so since they are not directly exposed to the danger.

But we, who stand face to face with the North Koreans, are not in a position to indulge in such easygoing and risky thinking.

Napoleon once said that a general must be 100 per cent prepared for battle, free from the slightest possible hindrance. Napoleon referred not only to military commanders but to all leaders.

In assessing a situation commanders and leaders should attend to the last detail even though the other ninety-nine are well taken care of. They ought to be prepared against the slightest possible loophole. As far as national security is concerned, we cannot ignore the detail.

There are some people inside our country who tend to take things easy whenever the situation improves a little or a temporary lull sets in.

For instance, they call for the reduction or even abolition of the Homeland Reserve Forces and the deactivation of the recently organized Civil Defense Corps, or narrowing the age limit for the corps. They often say the mandatory term of military service should be shortened.

In dealing with national security and defense we must be very careful. It is most dangerous to cater to popular sentiment. Historically our nation has been subject to numerous invasions from external enemies. Our own generation experienced the devastating

war unleashed by North Korea, and even today we face an enemy staring us in the face just across the truce line.

The prevailing reality will never permit us to let up our guard at the slightest sign of improvement in the situation.

The people of Switzerland are a case in point. Being a permanently neutral country, Switzerland has not experienced a war for the past 200 years, and no country around it is likely to take any hostile action against it.

Nonetheless, Switzerland is thoroughly prepared for any contingency, and its people are always ready to defend their country.

Buildings everywhere are equipped with basement shelters including facilities for taking refuge in time of nuclear warfare. Therefore, no country would dare provoke Switzerland.

During World War II Nazi Germany did not invade Switzerland but sidestepped it. The spirit of national defense on the part of the Swiss deserves to be followed, I believe.

Once Hsan-tze, the celebrated military strategist of China, stated that even while the nation is at peace, oblivion to war will court danger. There is a similar saying to the effect that a nation fond of wars is bound to fall and a nation oblivious to wars is in for a great calamity.

Thus, it would be most disastrous for us to neglect national defense and security on grounds that the situation around us is less troubled and a little more comfortable than before.

In recent years the economy of North Korea has vastly deteriorated, and they are experiencing domestic power struggles over succession.

I have intelligence reports that dissatisfaction and sabotage on the part of the North Korean population have been on the rise. In the meantime, North Korean diplomats have been found in the act of trafficking in drugs and other contraband, thereby bringing serious disgrace upon themselves and isolation in the community of nations.

On the other hand, the Republic of Korea in the last several years has achieved phenomenal development and a remarkable boost in her national power. We may well guess how jealous North Korea must be of our performance.

North Korea has all along been threatening a revolution in South Korea and unification of the peninsula under communist control. It is understandably impatient and nervous as its chance of attaining such objectives becomes remoter.

Likewise, the North Koreans are sandwiched between internal and external pressures. We may well assume they must be wriggling hard to find a breakthrough to escape their plight.

It was at this juncture that Washington made public its decision to pull its ground troops out of Korea over the coming several years. Naturally enough, Pyongyang will feel tempted to seize upon the opportunity for a military adventure. Therefore, we must step up our guard against any reckless playing with fire by North Korea.

Not long ago I told a foreign newsman that the time has gone when [we] could count on others for the defense of our country. There is no question about that. It is no longer possible to depend upon others for our own national defense.

Long before the issue of withdrawal of American ground forces came up we had foreseen that such an eventuality would come sooner or later. In anticipation thereof, we had been quietly making many preparations.

They were part of the total security toward which the government and the people have worked so strenuously in the last several years.

We inaugurated the Homeland Reserve Forces to mobilize and activate reservists whenever the need arises. Now they are well trained and constitute a strong and combat-ready force.

The money given in defense donations and through the defense tax went to modernize and strengthen our armed forces in large measure.

Recently the Civil Defense Corps was organized to take part in military operations in time of war or to work for the rehabilitation of disaster-stricken or war-destroyed areas in the rear.

We have organized the Students Defense Corps which is also being trained to contribute to the defense of the nation in an emergency.

What the people paid in defense taxes has been used to promote defense industries. Plans are being carried out smoothly to produce the arms and ammunition required by our armed forces. One day soon they will be equipped entirely with Korean-made equipment.

Since our citizens take keen interest in the defense industries, I will go into further specifics.

We have already built a firm base for the mass-production of basic weapons and ammunition to be supplied to our armed forces. Installations have been completed for the manufacture of an assortment of firearms including large-caliber weapons, ammunition, electronic equipment, military vehicles and armored cars in addition to individual equipment.

A number of these items have been produced in sizable quantity and supplied to our men and officers on the frontline. We have begun to refit tanks, and have undertaken the development of tanks suited to the Korean topography.

Moreover, various naval craft have been built and commissioned. Military arsenals and civilian plants have been expanded to maintain engines and airplanes. We have even begun to produce helicopters, and are also beginning the production of other aircraft.

Our technicians have begun to remodel sectors such as radar, fire-control apparatus, air-to-air missiles and ground-to-ground missiles.

The mass production of these weapons and equipment which will go into full swing this year will increase the strength of our armament, and I expect that all the requirements of our armed forces will be met by domestic products by 1981.

We are accumulating technology and cultivating the capacity for development in order that we will be able to produce highly sophisticated electronic equipment and airplanes in the middle of the 1980s.

In this manner our defense industries have made great headway to meet all the arms requirements for our armed forces thanks to the positive participation of our industrialists, selfless devotion of our technicians and skilled workers and the hearty support of the people.

I can declare to you that we are building the base for the production of weapons far superior to those of our enemy.

Besides the material aspect of our endeavors for self-defense, we should prevail over the North Koreans in our spiritual armament. We have not been negligent in this aspect either, and I am confident that we are superior to North Korea in spiritual strength, too.

The members of our armed forces, from the generals on down, are filled with the conviction that we must and can win any war. All my fellow countrymen may well rest assured of this.

However, modern wars are not fought by soldiers alone. Each and every citizen must be armed with a will to win and should fulfill this respective responsibilities [as published], sharing the same conviction with our uniformed servicemen.

It is my belief that this is the way to all-out security and victory in a future war.

[Question] Elections for members of the Second National Conference for Unification and the ninth president will be held this year. Perhaps because of these elections, the people are showing great interest in your excellency's candidacy. Your views on the matter would be appreciated. Also, your comments on the achievements of the five-year-old yusin revitalizing reforms and on the future direction of national policies would be appreciated.

[Answer] As you know, our constitution was revised in 1972. Under the revised constitution, however, he is elected by the members of the National Conference for Unification who were popularly elected themselves.

The election of the president will be made in accordance with the majority decision of the new conference. Therefore, now is hardly the time for anyone to express his intention. I would just like to say that the matter will be decided by the majority of the conference members.

As for the achievements of the yusin revitalizing reforms, although it is five years since the inception of the October revitalizing reforms, I think it is necessary to think about their objectives and basic ideology once again.

The basic ideology and objectives of the yusin revitalizing reforms are: to defend the nation and ensure its right to survival and preserve the orthodox national identity by successfully coping with turbulent surrounding situations with wisdom. In order to fulfill these objectives, we have decided that maximization of efficiency and organization of national strength are necessary, and through such maximization and organization we can accelerate the process of increasing national strength. With the national strength thus acquired and reinforced, we can win peace and prosperity with our own hands. And through the peace and prosperity thus won, we can hasten the day of peaceful unification. These are the basic ideology and objectives set forth by the yusin reforms.

Throughout the past five years, as we expected at the beginning of the yusin reforms, there have been many domestic and international problems. We have been faced with many trials and challenges.

Turbulent international situations, incessant provocations and aggressive acts by the North Korean communists and the international economic depression were but a few of the problems and challenges we have successfully surmounted.

We have not merely surmounted them. During the five-year period we have achieved a dynamic economic growth unprecedented in the world. We have made firm the basis for self-reliance during the past five years.

How were we able to achieve such a performance? What lay behind the fact that we have overcome all the difficulties, realized such a high economic growth, and succeeded in consolidating the basis for self-reliance?

My answer is this: We have achieved and maintained political and social stability. On the basis of this stability we have worked hard in a concerted effort to surmount the difficulties, achieve high economic growth and provide the basis for self-reliance. I think this process was made possible because of the yusin revitalizing reforms.

There are some who are still critical of the October yusin revitalizing reforms. I am confident that even those critics would not deny what has been achieved in the past five years. In view of foreseeable changes in the international situation, various difficulties in the world economy and North Korea's unpredictable actions and so forth, I think the next four to five years will be crucial. We have to tide over this difficult period with wisdom. I am sure the best way to overcome the difficulties is for the nation to be solidly united and pursue the road to fostering national strength. Therefore, the yusin revitalizing reforms will have to be sustained and developed. By doing so, I am sure, we will be able to defend the nation and the right to survival and pursue peace and prosperity.

Question: During the year 1977, the nation's exports surpassed the \$10 billion mark, the rice production recorded an all-time high, heavy and chemical industries were established, and many other achievements were witnessed in the economic field. However, these advances were not made without some difficult problems arising out of high growth. Would you sum up the national economy of 1977 and outline the government's economic policy for 1978?

The president: Let me first assess the national economy for last year.

As you know the target of \$10 billion for the nation's exports, which was originally set for the early 80's, was actually accomplished last year.

In the last 16 years, our exports have expanded tremendously. They remained between \$30 and \$40 million a year in the early 1960s, but then increased some 250 times by an annual average of 41 percent--the fastest growth rate in the whole world. Back in 1961, Korea ranked 88th in the world in exports, but by the end of 1977 it had climbed to 17th.

In the past, primary products accounted for 80 percent of our exports, but now manufactured goods, notably heavy and chemical products, account for more than 90 percent. Before long, heavy and chemical products are expected to constitute Korea's major export items.

Exports have served as the driving force for the high growth of our country. They have contributed to the expansion of employment and the increase of income, and have accelerated the improvement of living standards, the advancement of industrial technology and the modernization of management.

Our national economy has come to claim a prominent position in the world economy as our exports have surpassed the \$10-billion mark. Korea's international payments position reached the point of balance last year ahead of schedule, with the nation's foreign exchange holdings amounting to \$4,300 million. In the years to come, the nation's payments position is expected to maintain a balance except for minor fluctuations. In short we have now achieved the long-cherished self-reliant economy.

Next, as I mentioned before briefly, despite widespread natural calamities such as droughts and floods, rice production exceeded the historically unparalleled target of 41,700,000 sok (approx. 5,255,000 tons), resulting not only in self-sufficiency but also in an ability to export.

There were also major developments in heavy and chemical industries and in the formation of social overhead capital. The nation's seventh fertilizer plant, a large-scale consolidated special-steel mill, and the Mipo shipyard were all completed last year, and the projects to expand the capacity of the Pohang iron and steel mill to 5,500,000 tons and to build a large-scale machinery complex are under way as scheduled. Also completed last year were the superhighway linking Taegu and Masan, and the projects to double the track of the Honam railway line. The nation's first atomic power generation plant was also dedicated last year. Furthermore, the expansion of the Pusan port, the double-tracking of the Chungbuk railway line, construction of the nation's second atomic power plant, and the pavement of many highways are progressing as scheduled.

We are aware that such rapid economic development and active construction has not been achieved without some problems. For one thing, as our foreign exchange income expanded, we enforced a tight-money policy in order to forestall a "foreign exchange inflation" possibly arising therefrom, and in the process subjected enterprises to some financial pressure.

It is also true that, although the rise in wholesale prices was contained within the 10 percent limit over the previous year, there was some economic instability due to the rapid expansion of demand arising from increased income and in the process of the re-modeling of the price structure, resulting from the newly-instituted value-added tax system.

But we view this as a phenomenon naturally arising from a period during which the balance of payments turns from red to black. I believe that Japan and West Germany underwent similar throes when their economies shifted from a deficit to a surplus in their balance of payments positions. Therefore, I think the government and private enterprises ought to work hard together to overcome such transitional difficulties as soon as possible.

In summing up our economy for last year, it grew 10.3 percent over the previous year, and the per capita income reached US\$864 a little ahead of the original plan.

The past year witnessed remarkable achievements and progress in various fields, including \$10 billion in exports, the balance of international payments, a record-breaking rice crop, increase in rural income, expansion of heavy and chemical industries and social overhead capital, and the promotion of a medicare system and other social development projects.

Now I would like to outline the economic policy for this year. This is the second year of the fourth five-year economic development plan. This is the year when our per capita GNP is to pass the \$1,000 mark.

This year again, we have to continue unabated economic growth and export expansion based on the foundation we have built so far. To that end, the foremost economic priority is to expand private investments and promote the development of technology and manpower. The second priority is the internationalization and rationalization of industry in order to further boost international competitiveness. Third, medium and small industries must be protected and fostered, with the emphasis placed on the balanced development of all industries. Fourth, efforts will be made to stabilize prices and expand savings. These guidelines will be the core of our economic policy for this year.

The world economy can expect many difficulties in terms of growth and export. And we will have to cope effectively with the changing international situation.

I think the driving force for high growth rests above all with the expansion of investment and the training of skilled manpower; therefore expansion of private capital investment must be sought by enhancing the conditions of investment and supporting investment sources, and skilled manpower must be actively developed.

Next, although our payments position has achieved a balance, competition on the international market grows increasingly intense, creating a greater need than ever before for the internationalization and rationalization of industry and management. To that end, heavy and chemical industries must be continually promoted, the industrial structure must be improved, industrial efficiency must be boosted through technological development and the rationalization of management, and our industry must be made more competitive through the gradual liberalization of imports.

Medium and small industries play an important role in our country in terms of gross national product and employment. Their role is particularly significant for the growth of heavy and chemical industries. But our medium and small industries are still in a considerably underdeveloped state.

Therefore, continued efforts must be made to further their development. In this regard, the financial support to be made available to medium and small industries will be increased to 225 billion won this year from the 150 billion won of last year so that their facilities can be modernized. Furthermore, the government will provide expanded technological and managerial guidance.

In order to stabilize prices, demand and supply of materials will be made more compatible by expanding domestic production, gradually liberalizing imports, utilizing the storage system to the full, and improving the marketing system.

We might say that savings is the most important factor after all for the maintenance of stable prices. Savings must be expanded. We must continue to foster the spirit of diligence and frugality that we have practiced so arduously, and we must endeavor to continue expanding financial savings as an investment source.

As for major measures relating to the individual sectors, first, in the agriculture-fisheries sector, we will continually pursue the policy to increase food production which envisions 42 million sok (approx. 5,300,000 tons) of rice for this year. This will also contribute to an increase in national income.

The food consumption pattern of our country is gradually changing as a result of increasing income. The new tendency is for people to eat more meat, milk, vegetables and fruits, and we will make concentrated efforts to readjust the distribution of crops to meet the changing consumption pattern.

In our continued effort to provide a foundation for all weather farming, and the first phase of the Yongsan River comprehensive farming development project this year, and to kick off the second phase, the large-scale farming development projects at the Changnyong and Imjin areas will be carried out, and permanent measures to fight drought will be established through the development of water sources and utilization of pumping equipment.

In the fisheries sector, efforts will be made to enlarge the size of, and motorize, fishing vessels. Fishing ports will be constructed or expanded, and fish farm projects will be promoted, while efforts will be made to increase coastal and off-shore fishing. Through these projects, the income of the fisherman will continually be expanded.

We will put emphasis this year, as we did last year, on the heavy and chemical industry sector.

In the manufacturing sector, as I mentioned before, the expansion of the Pohang iron and steel mill will be completed this year, bringing its capacity up to 5,500,000 tons.

In the non-ferrous sector, a zinc smelter will be dedicated this Spring not only meeting the domestic demand but also providing zinc for export. In addition, a copper smelter will come into operation in the Spring of next year. And the construction of a lead smelter will begin this year.

In the machinery industry sector, the construction of the Changwon machinery industry complex will be carried on this year to facilitate production and export of large-scale plants. The production of auto parts will be modernized to earnestly promote automobile exports.

In order to streamline the specialized machinery of medium and small-scale plants, we will give concentrated support to some 100 selected model plants this year.

In the shipbuilding sector, the Okpo and Chukto shipyards will be completed this year, putting our country among the 10 largest shipbuilding nations.

In order to develop the electronics sector, as a strategic export industry, the Kumi electronics industry estate will be continually expanded, electronics parts will be produced domestically, and high precision electronics products such as semi-conductors and communication equipment will be developed domestically.

In the petrochemical industry sector, the completion of the seventh fertilizer plant last year has enabled our nation to export 700,000 tons of fertilizer annually. The naphtha cracking plant in the Ulsan petrochemical industry estate was expanded last year and now has a capacity of 150,000 tons. An oil refinery with a daily capacity of 60,000 barrels will be dedicated there under a Korea-Iran joint venture.

At the petrochemical industry estate now under construction at Yecheon, a 350,000 ton capacity naphtha-cracking plant and streamlined plants are to become operational within next year.

Large-scale cement plants will also be built. Korea had a combined cement production capacity of 16,000,000 tons at the end of 1977. This will be boosted to 21,000,000 tons by the end of next year.

As a result of the high growth of our economy, shortcomings in some social overhead services such as transportation and electric power began to surface last year. Accordingly, social overhead capital for energy and transportation will be expanded this year.

Energy is a problem which not only Korea but all nations of the world are tackling with extreme seriousness. It is a task of particular importance for a country such as Korea and on January 1, the government established the Ministry of Energy and Resources to formulate and implement systematic and comprehensive energy policies.

In the electric power sector, the first reactor of the Kori atomic power plant has recently become fully operational. The third and fourth generators of the Incheon thermal power plant and the compound thermal plants of Kunsan and Yongwol will be dedicated within this year. The second and third atomic reactors are under construction, and the construction of the fifth and sixth generators will begin this year. All told, the nation's electric power generating capacity will reach 7,240,000 kilowatts by the end of this year.

Due to various difficulties, the coal production target for this year has been set at 18,000,000 tons, the same level as that of last year.

Further efforts will be made to develop domestic energy resources, while safety facilities will be drastically increased and improved for prevention of accidents in mines and priority will be given to the improvement of welfare for mine workers.

In the transportation sector, a total of 773 kilometers of roads will be paved this year. This will increase the paved ratio of the nation's roads from the 51 percent at the end of past year to 60 percent by the end of this year.

The expansion projects of the Kunsan and Pusan harbors will be completed this year. To meet the increasing volume of coal and cement transported from the Taebaek Mountains area to the Seoul-Incheon metropolitan area, the double tracking project for the Chungbuk railway line will be pushed to completion in 1980.

Work will be started this year to expand the superhighway between Pusan and Masan from two lanes to four to meet the rapidly increasing volume of freight transported from the industrial estates at Changwon and other areas on the south coast.

To facilitate population dispersal and reduce traffic congestion in the metropolitan area, the redoubling of the railway connection between Yongdungpo and Suwon is being planned, and the construction of the second line of the Seoul subway will begin this year.

The construction of the industrial city of Panwol on the west coast will be actively pursued.

Let us view the construction of multipurpose dams for the development of water resources. The Taechong dam will be completed next year. The construction of the Chungju dam will be launched this year for flood control of the Namhan River system.

The improvement of scientific technology and fostering of technical manpower are most essential for the development of heavy and chemical industries. We will give priority to this in order to enhance our international competitiveness. The government has established 10 specialized research institutes in the machinery, electronics and chemical sectors. These institutes will provide the technology directly required for private production.

As our economic scale continues to grow steadily and the industrial structure becomes increasingly complex and sophisticated, technological requirements are being rapidly refined and diversified. Accordingly, the limited number of public research institutes are not enough to meet the increasing requirements. Our enterprises have now grown sufficiently to establish their own laboratories. I want to emphasize that the primary responsibility for technological development rests with the respective enterprises and that the time has come for individual enterprises to begin their own technological research and development programs.

In order to secure the adequate scientific technological manpower required for the expanding heavy and chemical industries during the forth five-year plan, we will promote education at technical high schools and colleges, training at vocational colleges and institutes, and on-the-job training. To that end, the combined enrollment quota for colleges and universities has been drastically expanded this year, with emphasis placed on technical colleges. The government has earmarked 18,700 million won this year to support technical colleges and high schools specializing in machinery, electronics and chemistry. Educational opportunities for young workers will be expanded, their morale boosted, and the system to coordinate schools with industries will be bolstered. This year, enterprises will be encouraged to establish a total of 100 classrooms in the form of annex or night schools. Existing junior colleges and polytechnical institutes will be reorganized as specialized colleges. Thus defining their unique function as short-term institutes of higher education, they will be put under a new system so that they can positively contribute to the supply of industrial manpower. The functions of vocational training institutes and the technical licensing corporation will be strengthened to facilitate the supply of manpower for heavy, chemical, and other highly sophisticated industries.

By these means, continued stability and growth will be pursued this year.

Question: Your excellency stressed here last year that the ultimate goal of the economic policy is the balanced development of the people's livelihood. And it is generally recognized that the medical protection and medical insurance plans that were initiated last year have contributed greatly to the improvement of the general health standards of the people. What are the government's basic policy guidelines for social development for this year and the years ahead, into the 1980s?

The president: Social development is one of the important goals of the fourth five-year economic development plan. It is also one of the major policy objectives for this year. One of the basic objectives of social development policy is, as you are well aware, to protect the people from disease by making available quality medical care to all.

Other objectives are to provide the people with equal opportunities for education so as to adequately develop the potential of the people and to guarantee job opportunities so that individuals may utilize their resourcefulness thus educated and developed, and to provide pleasant and comfortable environments in which they can cheerfully work and live, also to build a society in which people can still enjoy a comfortable life in their old age.

I think these are the basic policy objectives of social development policy.

As to the policy measures for medical protection, the government will place its objective on making available quality medical care to all the people whenever and wherever they need it. The medicaid system which went into force early last year was designed to benefit some 370,000 people on welfare lists and some 1,720,000 people in the lower income brackets.

Up to now a total of 1,160,000 persons have received such benefits on a total of 4,450,000 occasions. This year the medicaid fees will be raised and more people will come under the protection plan. Thus, we hope to be able to provide a better service.

The medical insurance plan, since its inception on July 1, 1977, has offered benefits to a total of 3,140,000 persons, including workers and their families at industrial estates and industrial establishments employing more than 500 employees. These plans have operated not without some friction in the beginning stage. We will further try to improve the system, by expanding the contents of the insurance policy coverage, especially to include compensation for absences due to sickness and injury. This year we will complete the preparation for implementation of a medical insurance plan for civil servants; from next year it will be extended to public school teachers.

Next comes the issue of securing medical equipment and facilities. Last year we supplemented substantially the medical equipment for public centers and branches, and built seven hospital ships for the medical services for the offshore island areas.

This year, we shall repair or rebuild 14 public health centers and branches, and supplement the equipment of 804 public health centers and branches so that they can better assume the function of primary medicine in the rural areas.

In addition, we will rebuild 10 municipal or provincial hospitals, and supplement the equipment of 12 municipal or provincial hospitals in an effort to drastically strengthen the function of secondary medicine in the rural areas.

At the same time, we shall operate 15 hospital ships for the 740,000 residents of offshore islands, and will see to it that ten branch hospitals of private general hospitals be established in industrial estates and other areas lacking adequate medical facilities. In this way, we shall expand the medical networks across the country so that the people can receive quality medical services everywhere.

If we carry on this medical expansion program continuously in the days to come, we will have 39 municipal or provincial hospitals constructed or rebuilt around the country by 1981, and 25 branches of general hospitals set up in industrial zones and other areas lacking sufficient medical facilities.

Another issue is the need for expanding and consolidating educational opportunities.

One of the important policies of social development, as I said before, is to provide and further consolidate the educational opportunities that can best develop the ability of the people.

For the equal expansion of the opportunities for compulsory education, we say to it last year that the national treasury assumed PTA fees in their entirety for parents of elementary school children in townships or smaller regional units. We have also begun to distribute school textbooks free of charge to all such pupils with the exception of those in Seoul and Pusan.

This year the National Treasury will pay the PTA fees for the parents of pupils in areas designated as countries or lower. By 1980 all PTA fees will be covered by the national treasury.

Next I shall discuss vocational training. In order to secure the technical manpower needed for industrialization, we established five vocational training centers last year to bring to 15 the aggregate of such centers, where 73,000 technicians were trained last year.

We plan to set up four more vocational training centers this year, which, along with the existing centers and those to be opened by large industries in their precincts, will train about 92,000 technicians.

There is also the housing issue. In line with the steady increase in incomes, more of our people are hoping to own their own homes and to this [end] we plan to expand housing construction this year. Preliminary tabulations show that last year we built about 199,000 homes in both the public and private sectors. This year we shall expand housing constructions and plan to build about 277,000 homes in both sectors.

We are thinking of placing emphasis on small and medium cities rather than large cities to discourage population growth in large cities and ensure a balanced development of small and medium cities.

We also intend to improve the living environment of rural areas by modernizing the homes on a step-by-step basis. This project is to be carried out in full swing beginning this year and in the initial stage we shall pour 75 billion won into the construction of 50,000 rural homes. Statistics reveal that there are about 540,000 requiring improvement presently in rural areas.

We feel that if we steadily expand the rural housing project every year, we will be able to modernize all such homes in five years and thereby create rural communities such as those in Europe.

The rural electrification project is expected to be completed this year. Communication networks for rural communities and wireless facilities for offshore islands were all completed last year.

This year, communication networks will be extended to cover all villages at the "ri" or "tong" level, and installation of running water will continuously be pursued so that every home will have running water by 1981.

Rural living conditions are improving daily and as incomes continue to grow, so will the living standards as evidenced by the number of television sets now in use-- 1,150,000--one for every three households.

The next is the issue of employment expansion and protection of workers. As a result of high economic growth last year, the number of employed rose by 415,000.

If the economy grows at the rate of 9 percent a year during the fourth five-year economic development plan, the number of employed is expected to grow by about 2,125,000 by the end of 1981 [and] all those with ability and skill will be able to find steady employment.

The income of our farmers and fishermen is estimated to double by end of 1981, to approximately 5,500,000-6,000,000 won.

Also we feel that the various welfare facilities for miners are insufficient and we are taking numerous steps to deal with the situation. We shall improve such areas as housing, wages, living conditions and working conditions, and supplement safety facilities underground.

We will also expand and encourage the property forming savings system which is designed to ensure our workers a future income.

I understand that as of now there are roughly 1,220,000 accounts in this system, with the contract amount totaling some 500 billion won. In addition, the National Assembly last year modified the income tax law to ease the tax burdens of those with a monthly income of 400,000 won or less so as to help improve their living standards.

This year, we plan to substantially expand financial credits for the low-income people. Such credits include funds for the purchase of homes and credits for livelihood and schooling expenses.

Question: In the course of touring central government offices early last year you announced a plan to build a provisional administrative capital. How far has the project progressed now?

The president: The government took two things into consideration in proposing the provisional capital. The first was a concern about the bulging population of Seoul and gradual paralysis of its urban function due to excessive population density.

The other consideration was the closeness of Seoul to the armistice line which affects the security of the capital city. The fact that 7.5 million people are residing in an area within range of enemy guns necessitates such a temporary capital.

The overriding consideration was population concentration. If Seoul had a population of three or four million, the idea of setting up a provisional capital now would be less likely to come up no matter how close Seoul was to the armistice line.

The government wouldn't have given a second thought to the idea. But the present population of Seoul has surpassed a reasonable level. The government took various measures to arrest the influx of people into the city, but frankly speaking, they have not been quite effective.

Consequently, a fundamental solution to the problem was in order. We are led to conclude that a provisional capital other than Seoul should be established. The project of building such a capital has not yet progressed very fast. We are just in the initial stage.

On the basis of discreet debates, South Korean and foreign specialists are blueprinting city plans--where to build roads, government offices and residences and where to locate parks and schools--to work out an ideal layout.

The primary prerequisite for the provisional capital is a population of less than one million. If the population is allowed to swell further, I think the plan would prove futile. The city should be within one or two hours from Seoul by expressway or train.

We are in the process of selecting the site from a number of candidate areas. Toward the end of last year the National Assembly passed a special law on the provisional capital to check any excessive rise in land prices. We have up our sleeve a measure to check any potential rise.

It [may] be asked why we are not hastening to implement the plan. At present Seoul has too great a population burden and many problems beset the city. But we need not hurry too much. The project calls for a vast budget and an enormous amount of planning and preparation.

The project will take between 10 and 15 years at least. We also have massive investment requirements for national defense and economic construction.

Therefore, it is very difficult to divert a vast sum of money out of the overall budget right now. So we will go about the task step by step and in a way that will not strain other sectors. Then, some may ask why such a plan which would not materialize for 10 to 15 years was made public so early.

Two reasons can be given. The idea was presented as a guideline for formulating long-and medium-term state planning. Depending on whether we build a provisional capital or keep the capital in Seoul, plans for rebuilding or transferring government offices in the future would undergo many changes.

A basic decision on a provisional capital had to be made prior to planning the construction of important government facilities or relocating them.

Constructing new transportation networks including railroads, electric trains and expressways depends on where such a temporary capital will be located. Therefore, it was necessary to make the project public for the purpose of facilitating long-and medium-term state planning.

To be candid, there is another element related to the psychology of Seoul citizens. The residents of Seoul were bound to feel stifled if the government stuck to old stop-gap measures without offering a breakthrough.

Things are very complicated and congested now. But the proposed establishment of a provisional capital in 10 to 15 years when Seoul's population is projected to jump to eight million will ease part of the population pressure.

The redevelopment and renewal of Seoul in the meantime will make it a city much more comfortable to live in. The prospect of such relief in the future has a great psychological impact upon the people of Seoul.

This can be likened to the situation during the Korean War years when people were removed to Taegu and Pusan and forced to live in hardship. Refugees had to sleep in large numbers in small rented rooms and cook outdoors with inadequate kitchen utensils for some years.

Their impatience would have been insuperable if they had had no hope of returning to Seoul before reunification. But the thought that Seoul would soon be recaptured by the advancing ROK and UN troops and that their suffering would end then made them bear the hard life in the refugee cities.

If the present trend is allowed to continue, Seoul will gain an increment of population the size of Taegu or Kwnagju every year, pushing Seoul's population up to eight million, nine million and even to eleven million.

Some may fear that Seoul would become a city unfit to live in. We made the announcement because it was necessary to inform the people that we do have a basic countermeasure at our disposal, and it will be put into effect in 10 to 15 years, not in the remote future.

One thing I should make clear to you is that Seoul will remain the capital of the Republic of Korea even after the provisional capital is set up somewhere else. Seoul will continue to be the capital after the reunification of the nation.

The provisional capital will be a mere administrative capital. The government will take steps to develop Seoul as an international city and bolster amenities deserving of a capital city.

Our determination and strategic concept to defend the capital city by all means will remain as unflinching and firm as ever regardless of the establishment of a provisional capital.

I would like to let you know that we will not budge even an inch from our basic stand to keep the capital from falling into enemy hands and defend it to the last under any circumstances.

Question: It is true that Korea has achieved a remarkable economic development which amazes the rest of the world. On the other hand, this has also resulted in such by-product as large-scale accidents and industrial pollution. Your excellency's comments on government measures in 1978 to deal with such by-products will be appreciated.

The president: It is true that Korea has achieved a high economic growth in the past ten years or so and industrialization is progressing at a fast rate. Korea has started heavy-chemical production.

Records show that industrially advanced nations had--without exception--similar problems at the same stage.

As new factories and new roads and new industrial estates are built, the naturally beautiful environment is often destroyed. As construction is undertaken to meet the ever expanding transportation needs, and more and more high rise structures are built, to meet the equally ever increasing housing needs, high explosives are being handled more and more frequently and unfortunately some accidents are bound to occur. These are some negative by-products of industrialization. There is one more thing that is very important. Discrepancy between material civilization and spiritual culture may easily take place as rapid industrial development is being made.

In other words, we begin to notice such maladies as a tendency to put things above people. We are concerned with increasing instances of irregularities, demoralization, and dehumanization, all caused by these maladies.

We cannot help being concerned with the phenomenon that man's spiritual world gets poorer and more desolate as his material affluence becomes greater. We are bent on economic development in order to create a happy life worthy of man. If our material gains result in a poorer spiritual life, I feel something should be done.

I don't think a society with a great material affluence and poor spiritual life is a happy society in the true sense of the word. Many have advanced various theories to explain these undesirable phenomena. The majority seem to hold that the fundamental reason lies in man's surrender of his dignity in exchange for material gains and comfort, unable to ward off materialistic temptation.

There is a saying in one of our classics that man is the most valuable of all creatures on earth. Material gains cannot be regarded as more important than man. If there is ever a society in which material gain is more important than man, it certainly is an unhappy society. How to forestall and treat the unwelcome maladies resulting from industrialization is an urgent task for all of us.

We will be able either to prevent or correct to a certain extent industrial pollution, destruction of the natural environment and large-scale accidents. We can also expect good results through stepped up guidance, enlightenment and control. For example, we can enact a pollution-prevention law, give all-out support to anti-pollution measures in industry, and give technical guidance or even help expand fire-fighting facilities at fire vulnerable structures.

However, the most difficult problems to cope with are spiritual. Spiritual problems can hardly be dealt with entirely with laws, regulations, or controls alone. Laws and controls have their limits. Each and every one of us should make a sober examination of his attitude toward life, reawakening himself to the true meaning of life. He should experience a spiritual revolution.

One's tainted spirit needs to be cleaned to become a new spirit. This seems very hard to do, because we are dealing with spiritual matters. However, on the other hand, it can be done quite easily for precisely the same reason. Once determined, reawakened, and with targets narrowed down, you could easily achieve a spiritual renovation. This is a fact all of us know.

We know what is wrong with ourselves. But we have not been able to get rid of our problems.

I think we have not been able to do so because we were not able to free ourselves from material temptation. We will have to try hard to return to our true selves through soul searching and decisive reawakening. This way we will regain the proper attitude toward life.

That return to our true selves can be called "restoration of humanity." In order to achieve the restoration, one must reassess our attitude to life, which is characterized by warm love for fellow human beings, good faith among men, and respect for traditional morals and manners.

A basic measure to counter and remedy negative symptoms arising from industrialization is the restoration of humanity.

Korea's economy will keep growing. Our exports surpass \$10 billion and our per capita income stands at \$1,000. Scholars and experts say in their studies that toward the end of the 1980's, our exports will be over \$100 billion and per capita income in the range of seven to eight thousand dollars.

What we are now concerned with is whether our spiritual culture can achieve the same degree of progress as our economy. To head off a possible imbalance between spiritual and economic development, I urge you all to make a reexamination of your present attitudes and make greater efforts to bolster spiritual life.

Another important thing is that leaders in all walks of life should set examples in improving the spiritual environment of this country. This is also an effective way for spiritual improvement. This is something I would like to stress on this occasion.

Question: The protection of nature seems to be shaping up as a worldwide task. Your excellency appealed for a nationwide nature conservation campaign last November and has taken the initiative and set an example. Would you explain how you plan to further this campaign in the future?

The president: I went out into the streets recently and found a very interesting poster. "The people protect nature; nature protects the people." What an interesting and appropriate expression!

If the people look after nature, nature reciprocates. If the people recklessly destroy or damage nature, nature wreaks a dreadful vengeance on the people.

Nature, as I mentioned at a public rally for nature protection, is our living environment. Is everything around us not part of nature? From it we get various resources required for our living, therefore nature can be deemed the source of our lives.

Man also is part of nature. He is born from nature and eventually returns to nature. In this context, if we carelessly damage or destroy nature, this can be seen as an act of damaging and jeopardizing our own lives.

In the process of such things called modernization, industrialization, or economic reconstruction, nature tends to be victimized.

In our country, too, where rapid industrialization is in progress, such a phenomenon is increasingly in evidence, and that is why we are exerting various efforts to prevent this from happening.

In my view, particularly in such a country as ours which is very poorly endowed with natural resources, we ought to pay timely attention to this matter and work our plans and make efforts to protect nature.

There are various ways to do this. To pass laws or strengthen regulations to prevent damage to nature institutionally, to tighten control, or for the government to establish and execute various plans for conservation of nature or the land with large budget appropriations. Such things are good and necessary, and are being undertaken.

We designate green belts and scenic zones, pass laws for prevention of pollution and for protection of forests or birds, for institutional protection of nature.

A pan-national organization named the Nature Protection Society was inaugurated late last year to promote a nationwide campaign, and this also might be a necessary thing.

Within the government, a specialized agency will be established to promote the campaign. Such things are, and will be, done.

However, in our view, such institutional and legal regulations and controls are not the most important things. What is more fundamentally important to us is to love nature and love our land. Only with such a fundamental attitude on our part, can such a thing be achieved with good results.

However hard we might guard against damage or plant saplings in denuded areas or practice soil conservation or reforestation or try to prevent pollution, how can we preserve nature if others go out and pollute and damage it.

I want to emphasize that above all, the people's will to love nature and love the land is more important than anything else. Everyone of us must take the initiative in this campaign, from the easiest and nearest things around us. When we see rubbish or cigarette butts on the ground, we ought not think that others may pick them up. Let us correct such thinking. Let every one of us do it first. I believe that nature in our country may be well conserved in such a manner. This amounts to patriotism.

I read a newspaper article a few days ago. It said there had been a lot of snow in Hongchon, Kangwon Province, and forest station members, residents and students saw wild animals and birds starving in the snow. The people put straw mats here and there on the snow and put food on the mats for the birds and animals. The picture was heartwarming. It was a beautiful act. If our people have such a good, beautiful attitude, our race will certainly be blessed and our national will certainly be blessed, so I thought.

All our people positively responded to the campaign to protect nature, and good results are already in evidence. I am delighted, and would like to thank the people.

I believe, however, that this movement should be carried out continuously in the future. This cannot be allowed to go up in smoke after its launching with so much fanfare. If only we practice it as part of our daily lives, our country will become one of the most scenic places in the world.

Such a scenic land will make our lives more joyous in this age. It will constitute a precious heritage which we ought to preserve carefully and hand down to our posterity. I think that our people must realize we have the obligation to do so.

Question: I would like to have your comments on Saemaul Undong (the New Community Movement) with particular emphasis on the future directions of the movement at industrial establishments and in urban communities.

The president: Saemaul Undong which began in the countryside has been very successfully carried out over the past seven years, changing the face of rural villages almost beyond recognition.

Economically and materially our rural communities have become much better off and their standard of living has greatly improved. At the same time, there have been considerable spiritual gains as well as material benefits.

Our rural population has acquired the spirit of diligence, self-help and cooperation and begun to practice thrift, economy and saving. The farmers have the confidence and conviction that we can make it if we try.

Characteristic of the community drive in our country was spiritual enlightenment in parallel with material achievement. This has also been the case with the Saemaul movement at industrial plants.

I am given to understand that it has spread far and wide throughout the country and has achieved much success. The Saemaul movement both at industrial plants and in the rural areas pursue exactly the same ideology and goals.

The Saemaul movement at industrial plants is intended to enhance the efficiency and productivity at business industrial establishments.

It seeks to foster a fraternal atmosphere by ameliorating the treatment of employees and increasing their welfare--an atmosphere in which employers and employees share a family-like feeling.

It is an atmosphere conducive to the coexistence of employers and employees and from which both parties benefit. If such an atmosphere is achieved, the enterprise or the company is bound to succeed.

As far as I know, everything is going well in those industrial plants where the movement is under way effectively. If the firm becomes a going concern, it will earn more profit and the profit will be used to benefit the employees.

Then, it will boost the morale of workers who will work for the company as though it were their own business. The firm will make more money accordingly, and it will rebound to their benefit. The result will be that both the company and the employees will be better off. This is what I mean by the coexistence of management and labor.

This represents the basic direction and the guiding spirit of the Saemaul movement at industrial plants. The spread of this campaign among industrial plants served greatly to promote the international competitiveness of our economy.

It helped the nation to tide over the oil shock and the scarcity of resources in the early 1970s and pulled us through the world economic recession. I believe that it was the driving force behind the sustained expansion in exports and high economic growth.

Today there are many industrial plants where the Saemaul movement is carried out in a most exemplary manner. Certain companies provide transportation for employees, comfortable dormitory accommodations and adequate meals.

They provide workers with gymnastic and recreational facilities or medical care that often covers even members of the worker's family. They run schools for employees or finance night classes at nearby institutions. By so doing, many enterprises are trying hard to raise the incomes and improve the welfare of workers.

If one visits such an establishment, one will sense a family-like atmosphere. At such places there is no room for labor disputes. Efficiency and productivity are bound to go up, and in consequence, the treatment of employees will improve. It is our wish that the Saemaul movement at industrial plants should be promoted in that direction.

Last autumn a flood swept through Anyang, inundating hundreds of industrial plants. When important machines at these plants were about to be submerged and washed away, the majority of factory workers spontaneously rushed, so I was told, into the dangerously raging water to remove and salvage equipment and materials. Some volunteered to do the work even at the risk of their lives.

Some of their houses nearby were flooded and ruined but they stayed to work for their plant day and night.

The management was impressed by the devotion of the employees to the company, and later gave them special bonuses, aided in rebuilding their flooded homes and provided many other fringe benefits. It was a very moving story. I want the Saemaul drive to be carried out to that extent nationwide.

In contrast to such exemplary establishments, there are other industrial plants which leave very much to be desired in this respect. We have to admit that.

Recently I had my assistants at the presidential office and the board of inspection look into the state of affairs at bus firms in Seoul. They number about 90. I ordered that they survey the treatment and welfare of bus workers, especially conductresses. The survey revealed that some of the bus companies were doing very well. They satisfied the requirements I mentioned earlier such as good cafeteria food, well-heated dormitories and adequate bathrooms.

Certain companies provided educational opportunities for their employees. A heartening episode had it that managements helped conductresses to pass the qualifying test for entrance to colleges. Such companies numbered no more than four or five. Most of the other bus firms were far below standard. First of all, company owners or managers do not pay much heed nor respond sincerely to the situation, according to reports. The municipal government of Seoul and the office of labor will be responsible for redressing the situation by the coming summer through strong administrative guidance. I instructed that a second inspection be undertaken in summer. Let me take this occasion to urge presidents and managers of bus firms to be more responsive.

This exhortation is addressed not only to bus companies but to all business-industrial enterprises which have not cooperated well in the Saemaul movement. I would like to ask bus firm managers to take good care of conductresses as though the latter were family members. If the management feels warmly for the workers, the former can hardly leave the latter uncared for, leaving them to shiver in unheated rooms of rundown dormitories and providing bathrooms without running water. I ask employers to consider their workers as their family members. Assuming that their daughters and sisters worked at such places and were treated likewise, how would they feel? Then, it will become obvious to them what better treatment and welfare benefits they, as business owners and entrepreneurs, should accord to workers.

In the second place, I would like to ask one thing of our fellow citizens of Seoul. I hear that the traffic is in very bad shape in Seoul these days and catching a bus is very difficult. People find the buses uncomfortable and crowded, so when one gets on, one is understandably irritated and jittery. But it would be wrong for the passenger to shout at and abuse the conductress with rough language. Such behavior must be stopped. The conductress is not to blame for the congestion and discomfort in the bus. Rather the bus company is to be held responsible for it. If we go further, we may put the responsibility upon the Seoul city government and the central government.

The bus conductress is blameless. Why should passengers vent their anger upon little girls? As I exhorted the bus firm owners, I would call upon passengers to treat the conductress as their sister or daughter. Imagine that your family members are employed by such companies and doing such a tough job from early morning to late at night. Then, you will never get upset with the conductress.

We had better sympathize with the poor lot of the girls, conduct ourselves in a more generous manner and use courteous language, exchanging smiles. We should be ready to vacate our seat for the aged or invalid and thus brighten up the atmosphere inside the bus. If we take such a bus, we will feel more comfortable and pleasant even if the bus is jam-packed. Bus riders in Seoul ought to keep this in mind. To make a bus ride more comfortable and pleasant this year, bus companies must make special efforts, conductresses must offer kinder service and passengers must cooperate. All are requested to combine their efforts to brighten and improve the atmosphere.

The same thing can be said of the Saemaul movement in urban centers. Residents of urban communities are called upon to work together and combine their energies to make their respective communities better places to live in. If you look around your neighborhood, you will find many things which should be changed or remedied. Among them are problems that cannot be solved by the community residents only. Those which require large amounts of funds and involve great difficulties should be taken care of by the municipal or ward administrations.

But there are things which can be done by members of the neighborhood at small expense. There are other things that can be done through the cooperation of community members with a certain amount of money, plus some help from the municipal authorities. If they make up their minds to discuss, plan and cooperate among themselves to do their own work for the neighborhood, the Saemaul movement in cities will be neither difficult nor impossible.

I would like to urge my fellow citizens to work together to make a cleaner, more orderly and brighter urban community where neighbors are kind to each other and life is more comfortable.

Question: Your Excellency, you said we could consolidate our all-out unity by developing the spirit of self-reliance while touching on the three basic administrative guidelines for this year. Would you speak on your cultural and educational policies directed toward the development of self-reliance?

The president: Lately there has emerged a tendency in our society to emphasize the importance of self-reliance in the development of our culture and arts. There was a considerably long period of cultural chaos following liberation in 1945. There was certainly a period of cultural confusion. There remained in our society the remnant of Japanese colonial culture and this coexisted with the sudden inflow of western culture and our own traditional culture handed down from the past.

But this year marks the 30th anniversary of the founding of our government. This means that we have already entered the period of adulthood in cultural contexts as well. So we are in a position to examine this problem in retrospect and readjust it. Toward the end of last year, there was a survey of public opinion conducted on this cultural problem by a newspaper. The survey, in dozens of questions, asked what elements should be discarded in our cultural life. What interested me was that the top priority was given to "the general tendency of slighting our traditional culture." The survey reached the conclusion that there is a widespread tendency to neglect our traditional culture and that this should be uprooted.

The second-highest priority was given to flunkeyism. Public opinion is clearly against flunkeyism and we can see how our public consciousness is changing. We can see that the sense of reevaluation of our traditional culture and a certain self-reliance in this regard has come to bud in our society.

What is the spirit of self-reliance? As I have previously said, it is, after all, a way of making each individual feel he is the master of his country.

When one feels that he is the master of his country he assumes a greater responsibility for his country. Then he feels a special responsibility for history and his offspring. Such a spirit and such a responsibility leads him to the spirit of service to his country. This spirit further leads to a will to protect his country and his culture when they are invaded by outside forces.

There is an intrinsic difference between a man who thinks he is the owner of his firm and a man who thinks he is an employee and therefore he can quit when the firm is in financial difficulties and seek another job elsewhere. There is likewise an intrinsic difference in the concept of his country between a man who thinks he is the master of his country and a man who thinks he is not and therefore can remain if things turn out in his favor but can also emigrate to a foreign country if things do not go well. Such a person can hardly be called a man of independence.

We must secure the spirit of self-reliance from now on. It is true with cultural and artistic fields, too. To be frank, I don't think we have had true appreciation of our traditional or proper culture. To illustrate this point, I would like to tell you what I have heard a while ago. Last year or the year before last year, an exhibition of Korean art entitled "Five Thousand Years of Korean Arts" toured three or four cities in Japan, including Tokyo. The Japanese expressed great admiration for ancient Korean culture for its high level of achievement. After its tour in Japan, the exhibition was put on display at a museum in Korea. The museum has been packed with spectators who came to admire the exhibit after its success in Japan. One strange thing about the exhibit was that the artistic and cultural items on display have previously been put on exhibit at Korean museums. They came to the museum to appreciate the cultural objects on display, only after they have been acclaimed loudly by Japanese art lovers.

We have failed to have full appreciation for our own traditional culture and arts. This episode gives us a good lesson. From now on we should have proper cognizance of our own culture. We will rediscover and further develop national capacity in our traditional culture, thus building up the tower of cultural independence and identity one stone after another. The traditional culture is our spiritual root.

When you compare the Korean nation to a tree, our traditional culture may be compared to the root with which the tree takes its nutrition. The root must be strong and active in order that the tree may grow profuse leaves on it. Some at learning of our stress on importance of the traditional culture tend to label us as Korean-centered and past-oriented. This we are not. It is our position that we accept good elements of foreign cultures: We will accept foreign cultures selectively. We will enrich our own traditional culture through introduction of positive elements from foreign cultures. We will develop our own creative culture incorporating positive foreign elements in it. We call it the spirit of cultural independence. The same is true with education. Education and culture are closely linked. The purpose of education is to train manpower to contribute to national development, and in order to carry such education it must be live and useful. It must not be a dead education. What is live and useful education? It has a clear and definite ideology and objectives and nationality. It is education with independence or national identity.

If a culture lacks national identity, it may still be culture, but not national culture. It may be a mixed blood culture, but not a national culture. Same is true with education. If education lacks in national identity, it may still be education, but not live and useful education.

Throughout our 5,000-year history, we have been faced with many foreign aggressions. We have survived them all. Meanwhile the Korean nation has been exposed to foreign cultures

and influenced by them. Our forefathers have wisely digested foreign cultures to create Korean culture with personality and uniqueness. They have handed down the Korean culture generation after generation to this day.

There used to be Zurchin, Khitai, and Yuan to the north of our country--all once great and powerful. Today they are all gone with no trace of culture left behind. The Korean nation inhabiting the Korean Peninsula jutting southward from the Asian continent has created and developed its own unique culture. How could this happen? I believe our tenacious self-reliant spirit has been responsible for it. Self-reliant spirit originates only in very high esteem and pride of one's own culture. Our self-esteem and self-reliant spirit helped us to survive various and frequent adverse conditions and to develop our traditional culture. The self-reliant spirit turns into patriotism in the face of foreign aggression and serves as the basis for national unity.

We have been implementing a variety of cultural and educational policies to foster and develop national identity and self-reliant spirit. We have stressed education with nationality. We have discovered and restored historical sites and remains of national defense. We are now emphasizing rediscovery of values with contemporary application, such as the idea of "chung-hyo" (loyalty to the nation, filial duty to the parents), out of traditional values. We are carrying out a series of vigorous policies for cultural development. All these efforts I have just mentioned are aimed at restoring and developing the traditional self-reliance spirit pulsating in the context of the national history of Korea.

I believe that this can become a spiritual base upon which the national unity can further be cemented strongly. One more thing I would like to add is that the government has been building an institute called the Institute for Korean Spiritual Culture near Pangyo, Songnam of Kyonggido beginning last year. The work is now going on for completion around June this year. When dedicated, the institute will be operated as a standing institute for the enlightenment of the spiritual culture of our country. At the institute, a number of scholars and experts in this field are expected to gather here for specialized study of this field. We expect much from the projected institute.

Question: The North Koreans continue to reject dialogue with us who are their compatriots despite our consistent persuasion. On the other hand they are engaged in such a far-out scheme as offering to conclude a peace treaty with the United States. Under these circumstances would you please present a new formula for reduction of tension and settlement of peace in the Korean Peninsula?

The President: Frankly speaking, I do not have any novel design or magic solution to the problem. Twenty-five years have already passed since the Korean War ended in a cease-fire agreement. A quarter of a century has elapsed.

Our basic posture and faith is that we must never repeat the fratricidal war that we experienced then and that we must achieve unification by peaceful means even though it might be delayed. It was in this belief that we have tested every available means during the past 23 years, putting up with all sorts of reckless and flagrant provocations committed by the North Korean Communists.

Our basic policy for, or basic attitude toward unification is, as I have repeatedly stressed, that the South and North should not fight each other but co-exist peacefully until such time that the various conditions for unification are ripe.

In the meantime the South and the North each should pursue economic development, national development, assure that the people in their own areas live more happily and peacefully, and then reunite when the environment for unification matures.

If unduly forced when the circumstances are not ripe, any attempt for unification will inevitably lead to confrontation, and a war will break out with all its casualties. Thus our policy for unification is peace first and unification next.

Firm settlement of peace is the prerequisite to unification. Without a firm peace, unification is not feasible. In any war there is bound to be a winner and a loser. We want to avoid this situation, and we will have to tackle the problem of unification only after peace is firmly rooted. What are we supposed to do in order to plant peace? Whether we like it or not, the South and the North will have to sit down for a dialogue.

Through dialogue we propose to solve our problems one after another beginning now, and tackling easy things first. By doing so we hope to begin to expand exchanges between the South and the North, and steadily open our doors wider. At a certain point of time we hope to open the doors completely. If things go well, the deepseated distrust between the South and the North will be dispelled, and our homogeneity as a race will be steadily recovered. Only then will we be able to tackle the problem of political integration. This approach of ours is the most rational and realistic of all formulas for unification that we can imagine. This approach may appear time consuming but, we think, it is the only short cut.

Therefore, we have proposed a number of concrete formulas. I will not enumerate all of them; we wanted to settle the easier things first. We proposed that separated members of families in the South and the North meet each other, or exchange letters and photos if reunion is impossible. We suggest that they visit their ancestral tombs on such public holidays as Chusok [traditional autumn festival]. We told them nothing is impossible or difficult in realizing these overtures.

The North Koreans have not responded to our call in any way. They witnessed many members of Chochongnyon (pro-North Korean federation of Korean residents in Japan) paying visits to their ancestral tombs and returning to Japan following reunions with their relatives here. We suggested exchanging visits between South and North Korea just across the truce line, but they still did not listen to that simple proposal. We made many overtures to them, calling for conclusion of a non-aggression pact between the South and North, exchanges, but they rejected all these. Now, they even refuse to carry on dialogue with us. They go so far as to try to enter into direct negotiations with the United States.

We well know the reason for the negative attitude of the North Koreans. Their basic approach to reunification is fundamentally different from ours. Our approach is to avoid war and fratricidal conflict at all costs. Our position is to deal with the question of unification by pacific means, but they are thinking of unifying the country under Communist terms even by resorting to war and bloodshed. They are bent on attaining unification by force of arms at any opportunity. So dialogue is impossible.

They just come to the dialogue table to engage in senseless talk, for their outright boycott of the dialogue would have brought them to task for the rupture in the tribunal of world public opinion. They keep showing up for some ulterior purpose, but air preposterous ideas in absurd language. I think that unless and until they give up their outrageous ways and mend their manners thoroughly, the prospects of peace in the Korean Peninsula are very dim. They will not respond to our bid for dialogue in good faith.

We continue to exhort them to join in the dialogue. Some times they may pretend to be responding to the call, but they keep uttering the old nonsense. No results can be expected as long as they act in that fashion. We have to prevail over their fantastic and absurd bigotry. But, how can we do it? There is only one way. Our strong national power holds the key to the solution. If and when our national strength turns out to be far superior to **their power**, they will abandon the thought of subduing and taking over the Republic of Korea. This clearly illustrates the nature of the Communists.

The Communist strategy is to trample upon and take over the other side by all means when they think the other is weaker. On the other hand, when they believe the other side is stronger than they are and therefore see no chance to conquer it by force, then they come out for negotiations. Why can't we call their bluff?

If they judge that we are strong and they cannot subdue us by force, they will probably think it over. In other words, we must maintain a national strength superior to theirs in the economic, military and all other sectors.

In terms of economy, we believe, the competition is already over. To compare the south and north economically now, we are at least 10 to 15 years ahead. In other words, they are 10 to 15 years behind us. In 10 to 15 years more, our Republic of Korea will become a major economic power. This is why I say that economically the victor has already emerged.

As for military ability, it appears to me that presently the military standing is about the same between the south and north. However, since our basic policy is to avoid war, we must stand by far superior to them if we want them to give up their aggressive policy in the belief that they will have no chance to win even if they launch a war. We presume that it will be a few more years before we arrive at such a stage. In other words, we expect that the time will come in the early 1980s.

I believe, therefore, that the only way for us to maintain peace and thwart war is to concentrate all our available resources on the buildup of national strength in concerted endeavors by all our people. However, this does not mean that we plan to give up the hope for dialogue between the south and north. In the future also, we shall continue to call for dialogue with patience. But, unless they reconsider their position, basically they will hardly respond to any dialogue affirmatively. And, even if they do, we cannot expect any results from it. I am convinced, nevertheless, that a time will surely come when they will renounce their aggressive design and agree to a dialogue. I expect that such a time will come in the not-too-distant future.

Dean of press corps: On behalf of the press corps, I would like to thank you for explaining in detail for two hours and 50 minutes the new blueprint for consolidating the groundwork for self-reliance and self-support as well as for the realization of peaceful unification and the betterment of public welfare.

YUGOSLAV VICE PRESIDENT DORONJSKI ARRIVES 19 JAN

BK190748Y Rangoon Domestic Service in Burmese 0630 GMT 19 Jan 78 BK

[Text] The vice president of the Socialist Federal Republic of Yugoslavia [SFRY] state presidency, Stevan Doronjski, his wife, and a delegation arrived this morning by a special aircraft for a 5-day visit at the invitation of the president and chairman of the State Council, U Ne Win, and Secretary of the State Council Gen San Yu. Vice President Doronjski and his delegation were welcomed at Mingaladon Airport by Gen San Yu and his wife; member of the State Council U Thaung Kyi; Prime Minister U Maung Naung Kha and his wife; chairman of the Council of People's Attorneys U Moun Moun Kyaw Wynn; Chairman of the Council of People's Council U San Maung and his wife; Minister of Foreign Affairs U Hla Phone and his wife; Minister of Agriculture and Forests U Ye Gaung and his wife; Minister of Industry No 2 Col Maung Cho and his wife; Minister of Defense Gen Kyaw Htin and his wife; the diplomatic corps and their wives, headed by the dean of the diplomatic corps in Burma and British ambassador, Mr O'Brien, and his wife, SFRY Ambassador to Burma, Vlado Sestan and his staff; and more than 2,000 people from Mingaladon township made up of Lanzin youths, Red Cross Society members and Mingaladon residents.

After vice president Doronjski's plane arrived, SFRY ambassador Sestan and Director of the Protocol Department U Sein Maung boarded the plane to welcome the distinguished vice president and his wife. When the distinguished vice president deplaned, he was accorded a 21-gun salute.

On hand to welcome the visiting vice president were State Council Secretary Gen San Yu, his wife, and the welcoming party. The distinguished vice president introduced the members of his delegation to Gen San Yu and he reciprocated by introducing the members of the welcoming party. Then 1,500 Lanzin youths lining the airport building and runway welcomed the vice president by waving the flags of both countries and chanting, "Long live the vice president!" "Long live friendship!"

Later, Gen San Yu and the distinguished vice president ascended the platform to acknowledge the honor guard's salute. The state band then played the national anthems of the SFRY and Burma. Gen San Yu and the vice president then inspected the honor guard.

When Gen San Yu and the vice president walked toward the terminal, Lanzin youths chanted slogans and waved flags of both countries to welcome the distinguished guest. The two leaders later met the dean and members of the diplomatic corps in Burma. Later the distinguished vice president and his party, in the company of Gen San Yu, drove to the state guest house. On the way to the state guest house, more than 500 people lined the street chanting slogans and waving flags.

Among the welcoming preparations for the distinguished guests were a pavilion constructed at the entrance of the international airport with banners inscribed in Burmese and English, saying: "We welcome the vice president of the SFRY State Presidency!"; a red carpet; and flags of both Burma and the SFRY displayed along the road to Mingaladon Airport, on the banks of Inya Lake, and at U Wisara and Hanthawaddy circles. The distinguished vice president is accompanied by his wife and 16 members of his delegation, including four journalists.

MAURITIUS COMMERCE MINISTER DEPARTS 18 JAN

BK181431Y Rangoon Domestic Service in Burmese 1330 GMT 18 Jan 78 BK

[Text] The Mauritius minister of commerce, Basant Rai, who arrived in Burma on 16 January together with a trade delegation, left Rangoon this evening by air. The Mauritius minister was seen off at Mingaladon Airport by Minister of Trade U Hla Aye, Deputy Minister U Aung Bwint and responsible officials.

THAI, ROC BOATS SEIZED IN BURMESE WATERS

BK181511Y Rangoon BOTATAUNG in Burmese 11 Jan 78 p 8 BK

[Text] Mergui, 10 January (by cable)--Burmese naval gunboats yesterday brought to Mergui four Burmese boats smuggling local restricted goods to a nearby country as well as three Thai and one Taiwanese fishing boat. The boats were seized in the west Mergui Sea.

The four Burmese boats, manned by 76 smugglers from Tavoy, Launglon, Thaqatchaung and Mergui townships, were carrying rubber and fresh fish. The three Thai fishing boats were manned by 25 Thai nationals. The Taiwanese boat was manned by seven sailors and their leader, Chai Chai Tan.

The Taiwanese fishing boat, marked with a Nationalist Chinese flag and identified as "Golden Dragon No 3" in Chinese characters, was found to be carrying a large quantity of man-size fish. The value of the smuggled goods and fish is still being determined. Meanwhile authorities have filed charges.

VOPB REPORTS RELEASE OF PRISONERS

BK180939Y Voice of the People of Burma [Clandestine] in Burmese to Burma 1200 GMT 17 Jan 78 BK

[News on release of prisoners of war]

[Summary] Ten prisoners from the 4th Company of the Ne Win-San Yu mercenary army's 2d Rifles Regiment, who were captured at the Mong Lwe battle on 26 November, were released safely by the people's army on 17 January.

BRIEFS

FAO DIRECTOR GENERAL DEPARTS--FAO Director General Dr Edoard Saouma and delegation left Burma on the evening of 17 January. In the morning, they called on State Council Secretary Gen San Yu and Prime Minister U Maung Maung Kha. In the afternoon, Planning and Finance and Cooperatives Minister U Tun Tin hosted a luncheon at Karaweik Hall for the FAO delegation. [Rangoon Domestic Service in Burmese 1330 GMT 17 Jan 78 BK]

SOVIET ARTIST DEPARTS--Soviet artist Miss I. F. Vlasova, who arrived in Burma on 24 December to exhibit Soviet landscapes, left Burma on 17 January. During her stay, the Soviet artist also called on responsible officials and toured places of interest. [Rangoon Domestic Service in Burmese 1330 GMT 17 Jan 78 BK]

MASS RALLY MARKS REVOLUTIONARY ARMY'S 10TH ANNIVERSARY

BK180114Y [Editorial Report BK] Phnom Penh Domestic Service in Cambodian at 2332 GMT on 17 January carries 90 minutes of reportage (with portions recorded) on a 17 January mass meeting of more than "10,000 representatives of the three branches of the Cambodian Revolutionary Army--the ground, naval and air forces, of union workers from all factories and of revolutionary cadres and male and female combatants from all offices and departments to mark the victorious 10th founding anniversary of the Cambodian Revolutionary Army."

The meeting begins with a salute to the party and national flags and 1 minute of silence in memory of the "valiant revolutionary people and male and female combatants and cadres of the Revolutionary Army who in the past made great sacrifices for the liberation of the country, people and the poor classes and are now making great sacrifices to defend the national independence, national sovereignty, national honor and territorial integrity of our Democratic Cambodia."

Then secretary of the KCP Central Committee and Prime Minister Pol Pot delivers a 74-minute recorded speech, text of which appears below.

Following Pol Pot's speech, the announcer reads the text of a resolution adopted at the rally, expressing participants' resolve, among other things, to "constantly raise high revolutionary vigilance and actively and constantly take part in defending the national honor, national independence and sovereignty of Democratic Cambodia, and the gains of the victory of the revolution, the party, the state administration of the worker-peasant class, exterminating both the enemy remnants planted within and the enemy aggressors coming from without, as well as all their activities." Text of this resolution also appears below.

Text of Pol Pot Speech

BK181020Y Phnom Penh Domestic Service in Cambodian 2337 GMT 17 Jan 78 BK

[Speech by KCP Central Committee Secretary and Prime Minister Pol Pot at 17 January mass meeting to mark 10th founding anniversary of the Cambodian Revolutionary Army--recorded]

[Text] I would like to salute all comrade representatives of the army attending this meeting to mark the 10th founding anniversary of our Cambodian Revolutionary Army. I wish to salute all comrades representing the workers; I also salute all the comrades representing all offices and departments and all our revolutionary units attending this meeting.

First, on behalf of our KCP, the Military Commission [kanakammathikar yothaa] of the KCP Central Committee, the government of Democratic Cambodia and all our collective worker-peasant masses throughout the country, I would like to express my profound, warmest respects and admiration to all members of our Cambodian Revolutionary Army present here and in each unit, and particularly those at the fronts throughout the country who are valiantly struggling to defend Democratic Cambodia, the party's worker-peasant state administration and our collective people. [applause]

All of us respect and admire our army because it is the firm main pillar and most loyal armed tool of the party's dictatorship that has continuously waged revolutionary war from 1968 to the present and has won successive victories and raised high the previously trampled status and honor of Cambodia, our people, our revolution and our entire KCP, greatly heightening their prestige both at home and abroad. [applause]

Therefore, as we gather on this occasion to celebrate our army's 10th founding anniversary, we are overjoyed and infinitely proud of our army, because it has struggled, endured all hardships and difficulties and made all kinds of sacrifices during the past decades for the liberation of the country, people and administration; for the party and worker-peasant revolutionary administration; for the prosperity of Cambodia and all the people; and for the defense of our territory, thus enabling us to continue protecting it forever. [applause]

Throughout our army's history we have seen, understood, had faith in and been satisfied with our army. We all discuss our army's history often. Thus, on this occasion I will only raise a few points for your information. [applause]

First, I would like to discuss the army's creation. On this point I would like to raise the following questions: From what was it created? On the basis of what occasion was it created, strengthened and expanded to become the nature, powerful force it now is? Our Cambodian Revolutionary Army was not created by one, two or many orders of this or that government or this or that assembly. It was not created as a result of an organization signing an order to select youth to dress up and take up arms and form an army. It was created through the revolutionary struggle of the people under the KCP's leadership. The KCP adopted a strategic, tactical line for attacking imperialism which came to invade, aggress against and dominate Cambodia, and for attacking the reactionary feudal capitalists who oppressed the Cambodian people.

Our party stated that we must wage an armed struggle against imperialism and the oppressor class; and to wage this struggle we must have an army. This army must wage the revolution to attack imperialism and the oppressor class.

Under the continuing leadership of the party, this army was born with empty hands, growing from a one-man unit to a two-, three-, four-, and five-man unit which fought the enemy using primitive, semimodern and finally modern weapons. This army fought the enemy with revolutionary violence, especially armed violence. It fought the enemy from the time it was only a one-man unit, a group, a platoon and a company to the time it became a battalion-size and regiment-size army to a division-size and a multidivision army.

Thus evolved our army under the party's leadership, in response to the party's correct line which called for waging an armed struggle against the enemy which in turn required a revolutionary army.

This brief history of our Cambodian Revolutionary Army clearly shows that it was not created from a few memoranda and letters. It was in fact conceived in the flames of battle, fighting from the time it only had bare hands until today, when it has become strong. Today it is not simply fat; it is a strong, muscular army which fought and dealt a shameful defeat to U.S. imperialism, the world's imperialist ringleader. It remains strong today, and has fought and dealt a shameful defeat to the annexationist, expansionist Vietnamese aggressors. This is because this army has grown with the party leading it in the struggle.

From what source was this army created and how did it grow so strong? I will explain:

Our Cambodian Revolutionary Army was created from workers, peasants and the poor--the basic class [vanna mulathan]. Since its creation until today, our army has been composed primarily of poor peasants followed by lower-middle peasants. Ninety-eight percent of the cadres and combatants come from the poor and lower-middle peasants. The rest are middle peasants and other revolutionary components.

Now that we understand our army's class composition, we can see its source. It is the poor who are the source of our army's creation, and the force for strengthening and expanding it. The poor and lower-middle peasant masses and the middle peasants are numerous; they constitute more than 80 percent of the country's population.

These masses are the massive, numerous and inexhaustible source of manpower for our army, making it grow strong and powerful. We do not worry that one day our army may run out of men, for the local population from which we can recruit unlimited. And we are now talking only in numerical terms. In addition to its size, our army's nature is the same as that of the class from which its manpower is recruited. We can presume that the poor and lower-middle peasants are the proletarian and semiproletarian classes in the countryside. Since these poor and lower-middle classes are numerous and like the basic class in nature, all of this enables our army to grow, strengthen and expand in number, and to hold fast to the nature of the proletarian and semiproletarian classes.

These poor and lower-middle peasants, whose original class nature is already sound, are not isolated and they are not the poor and lower-middle peasants who are loosely scattered around. These poor and lower-middle peasants are under the party's leadership and have political, ideological, collectivist and organizational qualities. It is all these poor people who constitute the main source of manpower for our army. It is all these poor who are the fathers of our army. If these fathers are good, their sons and daughters are also good. These fathers have sound original class nature and have been continuously trained by our party in politics and ideology as well as collectivist and organizational matters. With such good fathers, the sons and daughters which form the army are also good. [applause]

We realize that in order to better appreciate our army's quality and to strengthen our confidence in it, we must continue to depend on this source--the mass of poor and lower-middle class peasants--for the army's consolidation and development. Lacking this source, our army will cease to be powerful. In the future, should we turn to other sources of manpower our army would not be strong, regardless of the modern arms it might have. If the original source is not good, this army will not be strong. Sons can only be healthy and strong if their mothers are healthy and strong. The good health we mean here is strong class quality, strong revolutionary orientation and endurance of hardships for valiant struggle. When mothers have a strong revolutionary quality, their children inherit it. These are the children who fought valiantly against the enemy, defeating them regardless of size. Such are the organizational lines and orientation of our Army. [applause]

In the future we must continue to organize, build, strengthen and develop our army in accordance with the nature of its original source--the mass of poor and lower-middle class peasants--so that it can preserve its strong nature, including its original class nature, and its proletarian class nature which it received from the party. Our army has no ranks and no salary. It is an army which has carried out a pure revolution, fulfilling the lofty revolutionary duties, defending the country, the party's proletarian power and the collective masses. Therefore it must have a high revolutionary spirit in order to carry out a valiant struggle. One factor--revolutionary man--is the most important and basic one; the material and technical factors are only secondary. When we have men with strong revolutionary spirit, we can wage a strong and powerful struggle. [applause]

The third question is: Under what conditions was our Revolutionary Army founded?

Our army was not created in time of peace. It was born in no military school or academy, but in the great flames of struggle, in the revolutionary struggle's hardship and suffering. This army fought and overcame all sorts of obstacles to develop, strengthen and consolidate itself. This army was not tested, therefore, in the schoolroom but in the revolutionary wars, including the internal war--from 1968 to 1969--and the war against the U.S. imperialists--from 1970 to 1975.

From 1975 up to the present day our army has fought against the U.S. imperialists and their lackeys on the one hand and against the annexationist Vietnamese aggressors on the other. Thus this army has developed and tempered itself in the flames of successive struggles. This fact makes it a powerful army. The struggle brought it into existence and allowed it to strengthen and consolidate itself and to grow stronger and more powerful. The struggle forged and tested it and allowed us to observe our army, cadres and male and female combatants through their concrete deeds and movements. The experiences gained from this struggle have enabled us to strengthen and develop our army, thus turning it into a powerful one under the party's leadership. [applause]

In brief our Cambodian Revolutionary Army was born thanks to:

1. The leadership of the party in accordance with the line on revolutionary violence and especially the revolutionary war.
2. Its emergence from the masses of poor people. That is why it is so powerful. These masses have inherited their original nature from poor and lower-middle class peasants. These masses have the party to provide them with political, ideological and organizational leadership and in addition, they have been organized into collective forces.
3. Its struggle to temper itself, repeatedly tested in the great flames of the revolutionary war, for this reason the army embodies the full characteristics and nature of our KCP. For this reason our entire party and people will continue to build our Cambodian Revolutionary Army in accordance with these principles so that it will remain powerful forever and not change its original nature. [applause]

Now allow me to tell you about the successive victories won by our Cambodian Revolutionary Army during our national democratic revolution as well as during the current socialist revolution.

What feats have our army achieved in successive revolutionary wars?

We have to recall and display more clearly our army's feats on the one hand in order that all of us can feel greater pride and more resolute confidence in, as well as greater affection, respect and admiration for our army and make more efforts to further tend, nurse, strengthen and expand it, enabling it to gain greater strength in all party fields--political, ideological, organizational and combat tactics. On the other hand we should recall the army's feats in order to smash the propaganda of the annexationist, expansionist, aggressive and reactionary imperialists who, adhering to their class interests and annexationist, expansionist and aggressive policy, always resorted to their ugly propaganda scheme by pretending to be know-it-alls scorning the revolutionary armies of small and poor countries short of material. They always predict that these armies can never win over the expansionist aggressor forces of the imperialist and reactionary great powers and of the larger countries having more people, greater armies and better weapons.

In our army annals there are countless instances when these people predicted that our army would be destroyed. These people spread such predictions as part of their psychological and political warfare tactics to intimidate, threaten, confuse and frighten the people and revolutionary armies of small and poor countries into surrendering to them so that they can commit aggression, invade and encroach on other people's territory at will and so that they can annex other people's land as their greedy minds dictated.

Taking all of these reasons into consideration, I feel that all of us should recall our army's successive feats on this auspicious occasion--its 10th founding anniversary.

I would like to recount briefly our army's successive outstanding feats in the revolutionary war from 1968 to 1978, by dividing the period of this revolutionary war into three parts--namely, from 1968 to March 1970: the national liberation period; from March 1970 to April 1975: the national liberation period [as heard]; from May 1975 to January 1978: the national defense period.

I. From 1968 to March 1970 an internal war took place in our country when the reactionary exploitor class--with the militarist Lon Nol-Sirik Matak clique as ringleader and U.S. imperialism as instigator opposed--our revolution. The comparison between the enemy forces and our forces at that time is as follows:

The Lon Nol supporters--lackeys of U.S. imperialism--had an army of 60,000 men including ground, naval and air forces, soldiers and policemen. On our side counting all regions, we had less than 1,000 guerrillas in 1968. Thus compared to enemy strength, we were extremely weak and small while the enemy was powerful. Figuratively speaking, the enemy was a bull elephant while we were merely an ant. In view of this disparity both local people and foreigners who worked for the imperialists and the exploitor class predicted that the Khmer Rouge would be completely wiped out. However we actually defended and strengthened ourselves and expanded our forces.

From an army fighting with almost bare hands in 1968, we managed to have a 4,000-strong centralized army by March 1970. We counted 50,000 guerrillas throughout the country on our side; we waged guerrilla warfare in 17 out of a total of 19 provinces; we had our own liberated zone, a support base inhabited by 60,000 people; we had our guerrilla bases with 300,000 inhabitants; we had our guerrilla zone with an additional 700,000 inhabitants. In short by 1970 we had a liberated zone, guerrilla bases and a guerrilla zone and we had more than 1 million people on our side. Our strength inexorably grew. We were able to defend, strengthen and expand ourselves, our forces, our people, our liberated zone, our guerrilla bases, our guerrilla zone, our centralized army and our guerrillas. This strength became most powerful. In the internal war it inflicted heavy defeat on the enemy.

Why have we succeeded in protecting, strengthening and developing our army and our revolutionary strength? This success stemmed from the fact that we have a correct line, and we have properly implemented the party's guidelines on people's war.

In this case, the predictions of counterrevolutionary imperialists and reactionaries were completely smashed. They launched political campaigns and employed psychological warfare to deceive us and world opinion. But history and our revolutionary movement clearly show that from 1968 to March 1970, we won a great victory.

True, this victory was merely our first step; however, it can be considered as the great basic victory which allowed our party, army and people to develop their concept of independence and sovereignty. This orientation was firmly consolidated through our struggle to overcome untold hardship and suffering. The attitude of independence, sovereignty, self-reliance and self-determination then emerged and was strengthened and consolidated as our strong basis through that period of struggle. [applause]

II. During our national liberation war against the U.S. imperialists--from 1970 to 1975--the imperialist prognosticators and reactionaries again made predictions and waged propaganda campaigns, trying by all means to oppose our revolution and deceive our people, our army, our party and the world. They tried to subdue us, make us bow our heads and be trampled at will by their clique.

During this period the enemy enjoyed the following advantages: 1) the contemptible Lon Nol clique's strength grew from 60,000 to 200,000; 2) the Thieu-Ky clique sent more than 100,000 troops into our territory; 3) several thousand U.S. imperialist soldiers committed direct aggression against Cambodia in April and May 1970. Their airplanes invaded Cambodia's airspace as well.

The enemy forces then included the U.S. imperialist troops, the Thieu-Ky troops and the Lon Nol troops. On top of this the Thai, South Korean and Taiwanese reactionaries also joined them against us. The enemy's strength was immense. That is why the imperialist and reactionary world predicted that the Cambodian revolution was heading for destruction and total defeat. But in fact, we finally won great victory on 17 April 1975.

Our Revolutionary Army, which in 1970 comprised 4,000 regular soldiers and 50,000 guerrilla fighters, developed rapidly and was transformed and organized into battalions, regiments and then divisions. Our army grew in size, our people prospered and our economy was self-sufficient; that is why we succeeded in defeating the enemy as climaxed by the 17 April 1975 victory. This was the greatest victory in Cambodian history and the greatest victory in world history as well, for it was the first time that the U.S. imperialists were so shamefully defeated. [applause]

Our Cambodian Revolutionary Army defeated the U.S. imperialists because it was founded under the party's leadership, because it emerged from the worker-peasant masses, because it comprises sons and daughters of the poor and lower middle class peasants, and because it was forged and tempered in the flames of struggle movements and revolutionary war. That is why this army has grown increasingly powerful with every passing day.

It has grown steadily, from fighting with its bare hands to being well armed. It fought against the enemy aggressors, scoring successive victories which smashed the pernicious theories, principles, policies and the pernicious poisoning propaganda forces which claimed that small, poor countries cannot fight and stand up, and that the small countries and people must become satellites of others. We smashed the poisoning propaganda forces of the imperialists and reactionaries. This encouraged the people of the world and bolstered their struggle to score more victories.

III. In the current fight against the annexationist, expansionist Vietnamese aggressors, the prognosticators again made predictions. These prognosticators of the world's imperialists, reactionaries and annexationists predicted that the well-seasoned Vietnamese forces, tested in war for decades, would conquer Cambodia in 24 hours. With such propaganda they hoped to mislead world public opinion and intimidate the small countries and poor peoples with their pernicious theory that small countries cannot fight, small countries should be subjugated, small countries cannot remain independent or self-reliant, and so forth.

However, all their propaganda efforts failed to deceive world public opinion. Presently, world public opinion is divided into two camps, but it generally supports and sympathizes with Cambodia. The majority firmly believed that the Cambodian Revolutionary Army would be able to drive out the Vietnamese aggressors since its army had defeated U.S. imperialism. However, a minority of public opinion expressed concern for us. It feared we would not be able to withstand Vietnamese aggression.

Let me now recount these events, and thus show the fighting quality of our army as follows:

The Vietnamese forces which have been aggressing against Cambodia since May 1975 can be categorized as follows:

1. Border defense security forces: It was these forces which strafed our people who were planting rice, fired at our patrol units and continuously bombarded our territory. It was also these forces which persistently encroached upon our territory and led the people to build homes with one set of stilts planted in their territory and the other in our territory. It was also these forces which led their people to settle and build villages on our territory, trying to seize our land from 1 square inch, 2 square inches, 1 square meter, 2 square meters, 1 square km and 2 square km on up. These Vietnamese provoked constant troubles and disputes along the border. In the southwest, between 1975 and 1976 each month we suffered an average of more than 30 killed or wounded as a result of daily Vietnamese bombing and strafing. They provoked us endlessly in Svay Rieng. In some places these provocations were even more serious. Since May 1975 these Vietnamese border defense security units have provoked countless incidents along the border from Kampot to Ratanakiri.

2. Regional forces: The regional forces are their provincial armies. All the Vietnamese provinces adjacent to our border have their own provincial armies. These regional forces joined their border defense security forces in committing relentless crimes against our people along the border. They behaved in the most aggressive, insolent and arrogant manner, believing themselves to be the "fathers" and "big brothers" of Indochina. They made it known that all the "little guys" in Indochina must respect them and obey their orders. They believe that whatever they do, the "small guys" of Indochina should always accept it.

3. Military region forces: These are regular Vietnamese forces posted in each of Vietnam's military regions and used as the main interventionist [antarakom] forces for each area within the military region.

Allow me to stress that these three categories of Vietnamese forces--border defense security, regional forces and military region forces--have launched many attacks against us inside our territory since the 1975 dry season, and particularly in 1977. However, these three forces have already tasted the quality of our army as it has attacked and exterminated them, **inflicting heavy damage each time they entered and encroached upon our territory.**

[applause] For this reason, in order to launch a large-scale invasion against our territory in November and December 1977 and in January 1978, the Vietnamese were forced to bring in many divisions of regular forces from their high command in Hanoi itself, equipped with various weapons and supported by hundreds of tanks and hundreds of artillery pieces, using them as the core forces to break through our thin defense line and penetrate many kilometers and even several dozen kilometers deep into our territory, particularly along Route 7 and in Svay Rieng in the eastern region and in Takeo and Kampot in the southwestern region. They wreaked havoc on our people. Many of our villages and cooperatives, cattle, livestock, farmland and personal property were destroyed.

What kind of revolution, special friendship and border negotiation are these? The Vietnamese have kept doing this to us. They have shown nothing but their "larger country" doctrine, their insolence, arrogance, attempts at expansion, annexation, aggression and subversion against us, and they have tried to stage coups d'etat to topple our Cambodia. We have also observed that this "larger country" doctrine has taken deep root in the minds of the Vietnamese, from the top to the bottom.

Let me tell you the concrete result of the large-scale annexationist invasion the Vietnamese launched against Cambodia. Did they win or lose? The answer is that they suffered a heavy defeat. Our victory is a monumental one; it can be compared to the 17 April 1975 great victory. It is a great victory achieved by our Cambodian people and Revolutionary Army over the annexationist, expansionist Vietnamese aggressors on 6 January 1978. [applause]

1. The Vietnamese military defeat: In fact, the aggressor Vietnamese forces on all battlefields were trounced and driven back to the border by our Revolutionary Army. More than 29,000 Vietnamese troops were either killed or wounded, more than 130 multi-million dollar modern enemy tanks wrecked and put out of service, dozens of enemy artillery pieces destroyed or damaged and five divisions of enemy regular forces decimated.

Allow me to tell you how we were able to win such a great victory over the enemy. In a word, it was because we effectively implemented the party's lines of people's war and fighting the enemy. The enemy relies on tanks and artillery. When our army destroyed, wrecked and immobilized enemy tanks, the enemy infantrymen always ran for their lives.

It is not so difficult to attack tanks; anyone can do it. We used a large quantity of antitank mines which we planted on national roads, provincial roads and large and small trails on which the enemy moved, for enemy tanks could not move across our ricefields or our plains of water and grass, or pass through our large and small irrigation canals. So, by planting mines on all main roads we destroyed or damaged many enemy tanks. At the same time, we used our B-40's, BK-75 and BK-82 guns to attack enemy tanks. This sort of attack diminished the enemy tanks' effectiveness. The enemy artillery pieces had to move on all these roads, for they had to be towed by trucks or half-track vehicles. This hardware could not escape our mines. This was also true for enemy transport; our mines paralyzed the enemy's movement of ammunition, casualties and food supplies.

Under such conditions, how well could their infantrymen do? How could they send their tanks to intervene? How could they send their artillery for support? How could they send ammunition to resupply their troops? How could they send food supplies to their troops? Our Revolutionary Army launched powerful, unrelenting attacks. The enemy could not hold its ground and suffered a series of setbacks; it was smashed and routed, and forced to return to the border. [applause]

Regarding the infantry, I would like to inform you that the side with the better revolutionary orientation and the stronger party lines will certainly triumph.

Another weak point of the Vietnamese expansionist, annexationist, aggressive armed forces is their rice shortage. Their troops ate only rice bran balls. If they ate only rice bran balls, they could never defeat us.

2. Vietnamese political setbacks: The Vietnamese aggressors suffered heavy political defeats. They have now been exposed to the world with a reputation as expansionist, annexationist aggressors against Cambodian territory. The overwhelming majority of the peace- and justice-loving countries and people of the world already see this.

The nature, policy and regime of a large country--the Vietnamese-dominated Indochina federation--and the policy of expansionism and annexationism against its smaller neighboring countries, have been clearly exposed. As a result Vietnam is now seriously isolated and denounced, both openly and secretly, facing an impasse.

Another political defeat suffered by the Vietnamese is the fact that the Vietnamese people clearly realize that the policy of aggression has brought destruction and suffering to their country and people. Yet another political design, consisting of establishing a pro-Vietnamese organization, a party or movement imported from Vietnam, which they planned to set up or proclaim when they succeeded in occupying some of Cambodia's territory, was also completely defeated. [applause]

3. Vietnamese economic and financial defeats: In their large-scale, systematic aggression against Democratic Cambodia, the Vietnamese spent much of their economic and financial resources and funds needed for solving post-war problems at the time when their country and people were several million tons short of food supplies and rice. They made large expenditures, thinking they could win; but now, having lost, they have also lost capital and interest as well, and the economy and finances of the Vietnamese nation are now ruined. They can no longer use the pretext of post-war difficulties. It should now be hard for them to find generous people to give them alms--and good people especially will no longer give them such alms. All of us who have seen the military, political and financial defeats of the Vietnamese can now appreciate the great victory won by our Cambodian army in their tasks of defending our Democratic Cambodia. [applause]

Our friends far and near and all independence- and justice-loving countries throughout the world warmly welcome our victory. We succeeded in safeguarding and upholding the banner of independence, sovereignty, self-reliance and self-determination; the banner of independence, sovereignty and territorial integrity and the banner of our nation's honor. We succeeded in smashing the banner of aggression, expansionism and annexationism; the banner of the Vietnamese Indochina federation; the banner of submission to a large country; and the Vietnamese banner of a larger country, of only one party, one country and only one people. All of these banners were smashed in shame. [applause]

Esteemed comrades: We achieved our victory over the Vietnamese aggressors because our entire party was united as a single man and provided leadership for the struggle to drive off the enemy [applause]; because our entire people, united as a single man, sharing a lofty revolutionary political and ideological orientation, set up a firm collectivist system and joined hands in fighting the enemy on their respective battlefield--on the frontline and in the rear bases [applause]; because our valiant army enforced the party's military, people's war and struggle lines; because all these guidelines have been properly and effectively applied [applause]; because our government ministries and all our revolutionary offices have actively and perfectly fulfilled their duties [applause]; because our fields are filled with rice [applause]; because our near and distant friends and all independence- and justice-loving peoples and countries throughout the world supported and sympathized with our national defense cause against the Vietnamese aggressors. [applause]

We clearly realize that aggression against other countries means defeat. [applause]

We have now reviewed our great victory. Nevertheless we should remember that this is only an initial victory. It is imperative to remain aware that enemies of all stripes will continue to undertake multifaceted activities aimed at harming us and subjugating our country, including attempts at aggression, espionage, intimidation, subversion, planting agents within our ranks, trying to topple our revolution, subversion, trying to topple our revolutionary administration through coups d'etat, committing sabotage, strafing and bombarding border areas, and so on.

Therefore all of us must grasp the party's key task of preserving peace and democracy, carrying on the socialist revolution and building socialism. Concretely:

1. We must uphold revolutionary vigilance; uphold and promote the party's policy, ideology and organization; maintain secrets to protect our party, revolution, collective masses, revolutionary administration and army; increase efficiency and strengthen and expand our national defense forces at all times, keeping the ranks of our forces, including the regular, regional and guerrilla units, manned to the maximum; and oppose and exterminate the enemy's pacification, espionage rings and activities. [applause]
 2. We must strongly maintain the militant spirit and offensive to fulfill tasks by completing the 1977 3-to-6- tons-per-hectare plan and fulfilling the 1978 3 1/2-to-7- tons-per-hectare plan; and all of us at all factories, worksites, corps, offices and departments must effectively carry out our respective work in order to fulfill and even over-fulfill the targets. All of us must strive hard to perform our work and see to it that not a single bit of manpower, be it the smallest, is wasted, so that all can contribute to defending and building the country well and improving our people's livelihood rapidly. [applause]
- All forces should be set into motion and aroused to achieve more and greater victories in their respective tasks. [applause]
3. We also must unite to the best of our ability with all revolutionary and progressive forces throughout the world, in conformity with our foreign political line as clearly stipulated by the Constitution of our Democratic Cambodia.

We preserve and adhere to an independent, peaceful, neutral and nonaligned policy and our Democratic Cambodia resolutely remains in the great community of nonaligned nations. [applause]

There are indeed some complications among the Third World countries and, particularly, the great community of the nonaligned nations.

However these countries and particularly the nonaligned countries have many good assets--namely, they are great in terms of number and population; they have strong, multiple and profound contradictions and wage strong and multifaceted struggles against imperialism, old and new colonialism, racism, attempts at domination and expansionism; they oppose acts of aggression, expansion, annexation, subversion and intimidation; they persistently struggle for the independence, sovereignty, territorial integrity, equality, justice, mastery and self-determination of each country; and particularly, with regard to our Cambodia, the absolute majority of the nonaligned countries supported and sympathized with us from the start, both during the 5-year war against U.S. imperialism for national liberation and since the country's liberation on 17 April 1975. The absolute majority of nonaligned countries have respected the independence, sovereignty and territorial integrity of Democratic Cambodia and have established relations with us, most correctly on the basis of equality. Our Democratic Cambodia has great need for such friendly countries. [applause]

4. With regard to settling the dispute with Vietnam, what should Democratic Cambodia do? Regarding this issue, our government has time and again stated its clear position. On this occasion I would like to repeat this position on behalf of the Government of Democratic Cambodia by quoting article 21 of the Constitution of Democratic Cambodia.

Article 21 says: Democratic Cambodia has the good-will and fervent desire of having close friendly relations with all countries sharing borders with it and with all near and distant countries the world over in conformity with the principles of mutual and absolute respect for sovereignty and territorial integrity. Democratic Cambodia firmly adheres to a policy of independence, peace, neutrality and nonalignment, permitting absolutely no foreign country to have military bases on its territory and absolutely struggling against all forms of outside interference in its internal affairs, and against all forms of subversion and aggression against Cambodia from outside--whether military, political, cultural, economic, social, diplomatic or humanitarian--in whatever form.

Democratic Cambodia will absolutely not interfere in any country's internal affairs. Democratic Cambodia absolutely respects the principle that each country must have sovereignty as well as the right and power to fully manage and determine its own affairs without outside interference. [applause]

We steadfastly follow a foreign political line in accordance with the one stipulated by our constitution.

If the Vietnamese side ceases its interference, subversion, strafing, shelling, aggression and annexationist acts against Democratic Cambodia and renounces its "larger country" doctrine against Cambodia, its Indochina federation principle and its "one party, one country and one people in Indochina" principle--the roots of the policy of coercion, intimidation, menace, subversion, aggression, expansion and annexation adopted by Vietnam against Cambodia--there will be no reason for us to quarrel with each other and true friendship will be born and will certainly grow and develop in strength. This is the desire of our Cambodian Government and people who, being so small, want to provoke nobody and wish only to live in peace with independence and territorial integrity. [applause]

Dear Comrades: Our noble Cambodian Revolutionary Army has grown up rapidly and is already 10 years old. It has traveled a considerable distance along which it fought and overcame all sorts of obstacles and made all sorts of sacrifices for the party, the class, the revolution, the people and Cambodia. The road that you comrades of our Revolutionary Army has traveled is extremely radiant--the greatest in Cambodia's history. The most lofty revolutionary heroism shown by you comrades inspires respect, admiration and awe. We are all very proud to have such a Cambodian Revolutionary Army. [applause]

However, we all realize that the revolutionary task facing our army remains extremely heavy. You must protect Democratic Cambodia, defend the party's worker-peasant administration and safeguard the party, revolution, class and people. You must also help build the nation and promote the people's living standard.

It is true that your task is heavy, but it is extremely noble. You should continue holding high the victorious banner of our Cambodian Revolutionary Army by doing the following: 1) Strive to build yourselves and your units, constantly keeping ourselves and your units sound, well and strong in conformity with the party's political ideological and organizational stands and in conformity with the party's line on people's war and combat tactics.

2) Each unit should strive to fulfill revolutionary tasks as a vanguard unit by overcoming all obstacles and difficulties in order to win more and greater victories.
[applause]

Long live the great, wise and correct KPC! [applause]
Long live the great, splendid Cambodian revolution! [applause]
Long live the great Cambodian people! [applause]
Long live the courageous, invincible Cambodian Revolutionary Army! [applause]
Long live the courageous, invincible Cambodian Revolutionary Army! [applause]
Long live the courageous, invincible Cambodian Revolutionary Army! [applause]

Participants' Resolution

BK181602Y Phnom Penh Domestic Service in Cambodian 0051 GMT 18 Jan 78 BK

[Text of 17 January resolution adopted at 17 January mass meeting in Phnom Penh to mark 10th founding anniversary of Cambodian Revolutionary Army]

[Text] We, representatives of all Cambodian Revolutionary Army units, of collective workers from all factories and of all government ministries and offices, on 17 January 1978 are delighted to hold a great rally to welcome the most glorious 10th anniversary of our most valiant and powerful Cambodian Revolutionary Army.

Having just heard the most detailed address of the comrade secretary of the party, we adopt the following resolutions:

1. Our Cambodian Revolutionary army is the splendid proletarian army of the party, the party's purest executive tool of proletarian dictatorship. It is extremely loyal to the party, the Cambodian workers-peasant class and the Cambodian nation and fatherland. Since its founding until today, under the party's correct and clear-sighted leadership our army has honestly and splendidly fulfilled its duties, including the principal lofty duty of national and people's liberation, of fighting the U.S. imperialist aggressors--the largest imperialist power in the world--and the national defense duty which consists of fighting enemy aggressors from all directions who try to aggress against our Democratic Cambodia, especially the expansionist, annexationist Vietnamese aggressors.

All these are most splendid achievements that our army has inscribed in its glorious history through its sacrifices of flesh, blood and bones. These are the greatest merits of our Revolutionary Army, unforgettable to all of us. We pledge to follow forever our army's glorious model of revolutionary heroism. We are extremely proud of our Revolutionary Army which has been simultaneously imbued with revolutionary ideology and policy in conformity with its duty to serve the poor people, defend the national honor and the honor of our people, and actively help build the country and improve living conditions.

Besides all this, our army has rapidly developed its military technology, based on lofty revolutionary heroism. It has always withstood all manner of hardship and suffering; has dared to sacrifice everything and to valiantly and stubbornly carry out the struggle. It has gained great experience in fighting the enemy, actively and effectively implementing the party's guidelines of people's war.

2. We join the entire KCP people and government of our Democratic Cambodia in expressing our respect and admiration for our most valiant, powerful and splendid army. We join the entire party, all the people and our entire government in paying homage to the memory of all our comrades-in-arms who died with lofty patriotism, splendid revolutionary spirit and splendid, profound affection for the people and the class in defending the

country, territory and the honor of the nation and people who previously lived in misery but who are now being elevated to lofty status.

We all pay homage to their memory and pledge to study these great examples, resolved to express our gratitude to all these comrades-in-arms and to continue fulfilling the lofty revolutionary tasks which the party has assigned each of us. We are all resolved to turn our grief over the loss of the valiant comrades-in-arms into vigorous, enduring moral and physical strength in the offensive to fulfill the tasks in 1978 and coming years with a lofty sense of revolutionary responsibility and great love for the people and the class.

3. As part of our resolve to express our gratitude, to study and follow the examples of our dead comrades-in-arms, and to emulate the great heroism of our most valiant, powerful and splendid Cambodian Revolutionary Army, we pledge to do the following:

A. We resolve to constantly raise high our revolutionary vigilance and to actively and constantly help defend the national honor, national independence and national sovereignty of Democratic Cambodia, and the gains of the victory of the revolution, the party, the state administration of the worker-peasant class, exterminating both enemy remnants planted within and enemy aggressors coming from without as well as all their activities.

B. We resolve to carry on a profound and constantly vigorous socialist revolution which serves as the strongest basis for our present and future tasks of national defense and construction.

C. We resolve to implement the party's socialist construction plan in all respects in order to rapidly improve the our people's livelihood, to build and make the country bountiful and prosperous, and to defend and preserve Cambodia forever.

D. We resolve to clear forever all phenomena of freedom [batopheap serei] from our units and from everyone of us, and to strengthen obedience to party discipline with a high sense of awareness.

E. We resolve to strengthen our concept of economy and constant care for collective property so as to rapidly and vigorously complete socialist construction work in all fields.

F. We resolve to develop ourselves with the proletarian orientation as well as the lofty revolutionary socialist orientation of the party so as to vigorously and constantly fulfill all tasks assigned by the party, thus helping defend the country, territory, national honor and our efforts to build the country as a glorious, prosperous nation and to quickly raise our living standard.

Long live the most correct, clear-sighted Cambodian Communist Party!

Long live the powerful, splendid Cambodian Revolutionary Army!

Long live the great, splendid Cambodian people!

Long live the valiant, powerful and wonderful Cambodian Revolutionary Army!

Long live the 10th glorious founding anniversary of the valiant, powerful and wonderful Cambodian Revolutionary Army!

Phnom Penh, 17 January 1978

PRC'S TENG YING-CHAO ARRIVES 18 JAN ON FRIENDSHIP VISIT

Leadership Turnout at Airport

BK190147Y Phnom Penh Domestic Service in Cambodian 2300 GMT 18 Jan 78 BK

[Text] Comrade Teng Ying-chao, member of the Central Committee of the Chinese Communist Party [CCP] and vice chairman of the Standing Committee of the PRC National People's Congress, arrived in Phnom Penh by special plane on the afternoon of 18 January 1978 for a friendship visit to Democratic Cambodia at the invitation of the KCP, the Cambodian People's Representative Assembly [CPRA] and Government of Democratic Cambodia.

Comrade Pol Pot, secretary of the KCP Central Committee and prime minister of the Government of Democratic Cambodia; Comrade Nuon Chea, deputy secretary of the KCP Central Committee and CPRA chairman; Comrade Khieu Ponnary, chairman of the Democratic Cambodian Women's Association; Comrade Ieng Sary, deputy prime minister for foreign affairs; Comrade Vorn Vet, deputy prime minister for economy; Comrade Thiounn Thioeunn, minister of public health; Comrade Ieng Thirith; minister of social action; Comrade Yun Yat, minister of culture and education, and many cadres from various ministries were at Pochentong Airport which was decorated with Cambodian and Chinese flags as well as red banners, to welcome Vice Chairman Teng Ying-chao and the other Chinese comrades.

More than 1,000 people, smiling and holding colorful bouquets, were also at the airport to welcome the outstanding envoy of the great fraternal Chinese people. Chinese Ambassador Comrade Sun Hao, members of the PRC embassy and other Chinese comrades were also on hand to welcome Comrade Teng Ying-chao.

When the special plane arrived, the masses--filled with joy, excitement and sentiments of profound revolutionary fraternity--waved bouquets and applauded vigorously, shouting "Long live Cambodian-Chinese revolutionary friendship and militant solidarity" and "Warm welcome to Comrade Teng Ying-chao," reflecting their warmest greetings and best wishes for the fraternal Chinese comrades.

Comrades Pol Pot and Nuon Chea, other KCP and Cambodian state leaders and Comrade Ambassador Sun Hao walked to the plane, firmly shook hands with Comrade Teng Ying-chao and other Chinese comrades, and expressed their incomparable delight over the Chinese comrades' visit. They bring the Cambodian people the most profound, sincere revolutionary fraternal friendship of the great Chinese people, our brothers and comrades-in-arms.

After receiving bouquets from our revolutionary female youths as a gesture of warm and intimate welcome, Comrade Teng Ying-chao told the crowd of her profound revolutionary friendship. Then the applause and chanting of slogans grew louder, reflecting the (depth) of the great revolutionary friendship and great militant solidarity that constantly exist between our two parties, peoples and countries.

After the welcoming ceremony, accompanied by Comrades Pol Pot, Khieu Ponnary, Ieng Sary, Ieng Thirith and Yun Yat, Comrade Vice Chairman Teng Ying-chao and the other Chinese comrades left the airport by car, for the state guest palace where they will stay during their visit.

As at Pochentong, the streets were decorated with banners in Cambodian and Chinese: "Long live Cambodian-Chinese revolutionary friendship and militant solidarity" and "Warm welcome to Comrade Vice Chairman Teng Ying-chao."

In front of the guest palace, Comrade Vice Chairman Teng Ying-chao and the other fraternal Chinese comrades were warmly greeted by hundreds of people showing their joy over the visit of the outstanding envoy of the Chinese brothers and comrades-in-arms.

Paying a friendship visit to Democratic Cambodia together with Comrade Vice Chairman Teng Ying-chao were Comrade Han Nien-lung, vice minister of foreign affairs; Comrade Shen Ping, director of the Asian affairs department of the Chinese Foreign Ministry; Comrade Fu Shun-ho, deputy director of the protocol department of the Chinese Foreign Ministry, and various other Chinese comrades.

Pol Pot's Reception, Remarks

BK190246Y Phnom Penh Domestic Service in Cambodian 2300 GMT 18 Jan 78 BK

[Text] At the State Palace, at 1700 on 18 January Comrade Teng Ying-chao, member of the CCP Central Committee and vice chairman of the PRC National People's Congress, paid a courtesy call on Comrade Pol Pot, secretary of the KCP Central Committee and prime minister.

Attending the meeting on the Cambodian side were Comrades Nuon Chea, chairman of the CPRA Standing Committee; Khieu Ponnary, chairman of the Democratic Cambodian Women's Association; Ieng Sary, deputy prime minister for foreign affairs; Vorn Vet, deputy prime minister for economy; Thiounn Thioeunn, minister of public health; Ieng Thirith, minister of social action, and Yun Yat, minister of culture and education. On the Chinese side were Comrades Han Nien-lung, vice minister of foreign affairs; Shen Ping, director of the Asian affairs department of the Chinese Foreign Ministry, and Fu Shun-ho, deputy director of the protocol department of the Chinese Foreign Ministry. Comrade Ambassador Sun Hao and other members of the PRC Embassy were also present.

Comrade Vice Chairman Teng Ying-chao expressed pleasure over her first visit to Democratic Cambodia following the great historic victory of 17 April 1975 when Cambodia was totally and definitively liberated. The comrade conveyed to our comrade party secretary the warmest and most sincere regards and revolutionary fraternal salutations of Comrade Hua Kuo-feng, chairman of the CCP Central Committee and premier of the PRC State Council; and she conveyed to the Cambodian people the most profound revolutionary friendship and firm militant solidarity of the fraternal Chinese people.

Comrade Vice Chairman Teng Ying-chao also expressed her confidence that under the KCP's correct and wise leadership the Cambodian people will certainly achieve successive victories in defending Democratic Cambodia and carrying on the socialist revolution and construction.

Our comrade party secretary expressed his delight at welcoming Comrade Vice Chairman Teng Ying-chao as the outstanding envoy of the fraternal Chinese people and as the closest friend of esteemed and beloved Comrade Premier Chou En-lai, who was a significant comrade-in-arms of our Cambodian people. The comrade party secretary extended a warm welcome to Comrade Vice Chairman Teng Ying-chao and the other Chinese comrades, and wished them a nice stay in Democratic Cambodia and complete success in their visit.

Our comrade party secretary also asked Comrade Teng Ying-chao to convey to Comrade Chairman Hua Kuo-feng and other Chinese party and state leaders his warmest revolutionary, fraternal salutations and best wishes for their good health, long life and successes in their lofty missions.

Comrade Secretary Pol Pot and Comrade Vice Chairman Teng Ying-chao joyfully and warmly discussed the ever-growing profound bonds of great revolutionary friendship and firm militant solidarity between our two parties, peoples and countries, which will further be raised and strengthened through this visit.

Report on Nuon Chea Banquet

BK190316Y Phnom Penh Domestic Service in Cambodian 2300 GMT 18 Jan 78 BK

[Text] On the night of 18 January at the State Palace, Comrade Nuon Chea, deputy secretary of the KCP Central Committee and chairman of the CPRA Standing Committee, on behalf of the KCP, the CPRA Standing Committee and Government, hosted a warm, grand banquet under the chairmanship of Comrade Pol Pot, secretary of the KCP Central Committee and prime minister, to honor Comrade Teng Ying-chao, member of the CCP Central Committee and vice chairman of the NPC Standing Committee of the PRC, and the fraternal Chinese guests now on a friendship visit to Democratic Cambodia.

Also attending from the Cambodian side were: Comrades Khieu Ponnary, chairman of the Democratic Cambodian Women's Association; Ieng Sary, deputy prime minister for foreign affairs; Vorn Vet, deputy prime minister for economy; Thiounn Thioeunn, minister of public health; Ieng Thirith, minister of social action; Yun Yat, minister of culture and education; and cadres from various ministries.

On the Chinese side were: Comrades Han Nien-lung, vice minister of foreign affairs; Shen Ping, director of the Asian affairs department of the Chinese Foreign Ministry; Fu Shun-ho, deputy director of the protocol department of the Chinese Foreign Ministry; Chinese Ambassador Sun Hao; members of the PRC Embassy and other Chinese comrades.

Comrades Nuon Chea and Vice Chairman Teng Ying-chao made speeches which were interrupted several times by vigorous, warm applause. The banquet proceeded in a joyful and cordial atmosphere permeated with profound sentiments of great revolutionary fraternal friendship and great militant solidarity between our two parties, peoples and countries.

Nuon Chea Lauds Chou En-lai

BK190602Y Phnom Penh Domestic Service in Cambodian 2300 GMT 18 Jan 78 BK

[Speech by CPRA Standing Committee Chairman Nuon Chea at 18 January Phnom Penh banquet honoring visiting PRC friendship delegation led by NPC Vice Chairman Teng Ying-chao-- read by announcer]

[Text] Today we are overjoyed to express, on behalf of the KCP Central Committee the CPRA and the government, our warmest greetings filled with profound revolutionary fraternity, respect and affection to Comrade Vice Chairman Teng Ying-chao and all the Chinese comrades who have come to pay a friendship visit to our Democratic Cambodia.

Naturally we are always happy to receive the Chinese comrades-in-arms because our two parties, peoples and countries have enjoyed most profound bonds of revolutionary fraternal friendship and firm comradeship.

However today we are happy to welcome you, Comrade Vice Chairman Teng Ying-chao, not only in your capacity as the highest envoy of the glorious CCP, of the NPC and the Chinese Government, but also as the closest comrade-in-arms of respected and beloved Comrade Premier Chou En-lai.

As the Chinese comrades already know, our Cambodian people have the most profound respect and affection for Comrade Premier Chou En-lai--a great proletarian revolutionary, close comrade-in-arms of Comrade Chairman Mao and a significant, most intimate comrade-in-arms of our Cambodian people. Comrade Chou En-lai vigorously encouraged us in our struggle and actively supported our Cambodian revolution.

In 1970, after the U.S. imperialists staged a coup d'etat to topple independent, peaceful and neutral Cambodia and directly committed aggression against Cambodia, Premier Chou En-lai, on the advice of Chairman Mao, made every effort and militantly supported the Cambodian people's struggle led by the KCP. He applied his physical, moral and philosophical strength day and night to support our people's national liberation cause. Although hospitalized, this comrade continued to follow developments in our struggle with interest, constantly urging full support for the Cambodian people.

Comrade Premier Chou En-lai used to talk with affection and emotion about the Cambodian cadres, male and female combatants and people, as well as the Cambodian Revolutionary Army. Our great victory of 17 April 1975 greatly moved this outstanding, significant proletarian internationalist combatant and filled him with the same revolutionary happiness as when the heroic Chinese people achieved their great victory in 1949.

Following the great victory of 17 April 1975, we wanted to invite respected and beloved Comrade Premier Chou En-lai to visit Democratic Cambodia so that he could learn directly about the depth of our people's revolutionary, fraternal friendship for the Chinese people and about the affection and respect as well as profound gratitude we reserve for the personal deeds of Comrade Premier Chou En-lai.

During this visit, Comrade Vice Chairman Teng Ying-chao, you will learn firsthand about these sentiments we all share. At the same time, through this visit we would like to express our gratitude to you, Comrade Vice Chairman Teng Ying-chao, for your vigorous efforts with Comrade Premier Chou En-lai to support our Cambodian people's revolutionary struggle.

Comrades and friends: Comrade Vice Chairman Teng Ying-chao and the Chinese comrades have come to visit our Democratic Cambodia with delightful news about the new and greater victories that the fraternal Chinese people, under the correct leadership of the CCP with Chairman Hua Kuo-feng as the great leader, have achieved in their socialist revolution and construction by carrying on the revolution under the glorious proletarian dictatorship and in accordance with the brilliant proletarian revolutionary line set forth by Comrade Chairman Mao, the great leader and great teacher of the Chinese people.

After the smashing of the gang of four, the revolutionary movement has gained great momentum. The mass movement to learn from Tachai in agriculture and to learn from Taching in industry has attained great-leap-forward speed and achieved splendid results.

Through the impetus of this movement, we are convinced that the Chinese people will achieve the four significant modernization tasks, formulated by Comrade Premier Chou En-lai on the clear-sighted advice of Comrade Chairman Mao, which have been stressed by Comrade Chairman Hua and the 11th CCP Congress. By the end of this century China will become a great, powerful and modern socialist country with modern industry, modern agriculture, advanced science and technology and strong defence capabilities.

We are confident that the convening of the Fifth National People's Congress this coming spring will further strengthen and expand the unity and solidarity and accelerate the struggle of all the Chinese people in accordance with Chairman Mao's political lines, under the correct and wise leadership of the CCP with Comrade Chairman Hua as its helmsman.

We are most delighted over the splendid development of the socialist revolution and construction in China and wish to extend our best wishes for fresh, greater successes to our comrades-in-arms, the fraternal Chinese people.

Comrades and friends: This visit to our Democratic Cambodia by Comrade Vice Chairman Teng Ying-chao is a great encouragement for our Cambodian people who are struggling vigorously with lofty militant determination to successfully defend Democratic Cambodia and continuing the socialist revolution and construction by constantly adhering to independence, self-reliance and self-determination under the KCP's correct leadership.

This visit also comes at a time when our entire Cambodian Revolutionary Army and people have more firmly united as one under the KCP's leadership, resolved to constantly and resolutely persist in struggle, always heightening revolutionary vigilance and actively striving to successfully defend the country, carry on the socialist revolution and build socialism.

In national defense, we will continue struggling to overcome all obstacles and defend our sacred territory. We have won total mastery and complete success in these endeavors.

In national construction, in 1977 we completely achieved the 3-to-6-tons-per-hectare rice production goal. We must still increase revolutionary vigilance and overcome new obstacles in order to complete the tasks of defending and rapidly building the country, and raising our living standard.

Our people want to live peacefully, independently and freely in honor and as masters of their own territory, and to build a national society in accordance with their own profound aspirations and chosen line.

Our people are characterized by firm, but most reasonable patriotism; they have never provoked and have no desire to provoke anyone. They always strive for close, friendly relations with all countries, far and near, based firmly on the principles of respect for each other's independence and territorial integrity, noninterference in each other's internal affairs, nonaggression, equality and mutual benefits, and following the policies of independence, peace and nonalignment as indicated in the Constitution of Democratic Cambodia. However, our Cambodian people will resolutely struggle against attempts at sabotage and subversion from within aimed at staging a coup d'etat to topple Democratic Cambodia, against the nibbling acts in the border area and against all attempts at aggression and expansion from without.

Comrades and friends: We are confident that Comrade Vice Chairman Teng Ying-chao's visit will further strengthen and expand the bonds of militant solidarity and great revolutionary fraternal friendship between the parties and peoples of our two countries, Cambodia and China. We express our thanks to Comrade Vice Chairman Teng Ying-chao and the Chinese comrades for coming. This visit will enable the peoples of both countries to encourage each other and once again display their great militant solidarity and great friendship characterized by profound mutual affection and respect, befitting brothers and revolutionary comrades-in-arms.

Teng Ying-chao's Reply

EK191018Y Phnom Penh Domestic Service in Cambodian 2300 GMT 18 Jan 78 EK

[Speech by PRC's NPC Vice Chairman Teng Ying-chao at 18 January Phnom Penh banquet hosted in her honor by Representative Assembly Chairman Nuon Chea--read by announcer]

[Text] I am overjoyed and deeply moved, and feel greatly honored and grateful to pay this friendly visit at the invitation of the KCP Central Committee, the CPRA Standing Committee and the Government of Democratic Cambodia to new Cambodia, which has an ancient culture, beautiful scenery and rich natural resources and which has won a monumental victory in its liberation war and is carrying on its socialist revolution and socialist construction. What I feel here now cannot be translated into words.

First, let me express high respects to the KCP and Comrade Pol Pot, the great leader of the KCP, to the Government of Democratic Cambodia and to the CPRA Standing Committee. Allow me also to express revolutionary fraternal salutations to the Cambodian people.

When all you comrades were fighting in the blazing liberation war, I wished I could have visited Cambodia as one of your comrades-in-arms. Now that you have completely defeated U.S. imperialism and are carrying out the socialist revolution and construction in the new phase of this tremendous change, I can at last fulfill my years-long wish. Being so eager to visit your heroic country, I ask that I be allowed to learn from all you comrades, and I hope that through this visit and learning, our mutual understanding will be enhanced and our mutual great friendship expanded.

Ours is a fraternal, cordial and profound friendship forged on the basis of Marxism-Leninism and proletarian internationalism and tested in the trials of long struggles.

I have time and again pointed out that fighting together and united together, we will win victory together. The outcome of the struggle has irrefutably proven this.

We are incomparably proud to enjoy such lofty, precious friendship. I am confident that such friendship will unfailingly develop from generation to generation.

Under the wise leadership of the KCP headed by Comrade Pol Pot, the heroic Cambodian people, united as one, waged a courageous struggle defying all sacrifices, with those in the rear closely following those at the front; they fought and overcame countless obstacles and dangers and, finally, employed people's war tactics to completely defeat U.S. imperialism and its running dogs, the traitorous Lon Nol clique, until a strong and invincible Democratic Cambodia was born.

The great victory achieved by all you comrades has become a brilliant model proving to the world's revolutionary people that a small, weak country can defeat the aggression of a larger, more powerful one.

Since liberation of the whole country, you have continued to hold fast to independence, mastery and self-reliance and to sharpen your wartime fearlessness and revolutionary heroism to resolutely defend your national independence, sovereignty and territorial integrity, consolidate the dictatorship of the proletariat and successfully defend the newborn revolutionary administration. All you comrades, imbued with great resolute militancy and selfless dedication to work, have made every effort to strive and endure all hardships in the vigorous, practical offensive to accelerate industrial and agricultural development at great-leap-forward speed. In particular, you have basically resolved the problem of food supply in a very short time. This is a tremendously significant victory.

You have been active in the international arena, and succeeded in increasing friendship and mutual understanding with various countries.

For each of your victories we feel great joy and wholehearted admiration. We warmly congratulate all you Cambodian comrades. Your revolutionary spirit and many of your precious experiences merit our attention and emulation.

The KCP is a glorious Marxist-Leninist party. It skillfully mixes the inexorable truth of Marxism-Leninism with Cambodia's specific needs and has successfully led the Cambodian people in war as well as in reconstruction. It is a strong party which steadfastly stands in the vanguard of the struggle against imperialism, colonialism and hegemonism.

We are confident that under the beacon of the KCP's correct line, the Cambodian people and the Cambodian Revolutionary Army will achieve more brilliant victories in the sacred cause of building the fatherland and defending it.

As we welcome the new year, I would like to tell you with joy that during the past 1 year and more since smashing the gang of four, our country has experienced an excellent situation. The strategic resolution of firmly grasping class struggle as the key link to manage the country well, has already reaped initial rewards. The whole country has taken on a brand new outlook. Heartfelt, enthusiastic views are aired everywhere; and happiness, solidarity and energetic progress permeate the atmosphere.

Led by the Central Committee headed by the wise, great leader Comrade Chairman Hua, the Chinese people are holding high the great banner of Comrade Chairman Mao, steadily implementing the line of the 11th CCP National Congress and devoting all efforts to making our country a great, modern, powerful socialist state.

Dear comrades: China is a socialist country. We hold that the five principles of peaceful coexistence--namely, mutual respect for sovereignty and territorial integrity, nonaggression, noninterference in each other's internal affairs, equality and mutual benefit--are basic principles by which all countries the world over, including the socialist countries, must abide in striving to settle relations between countries. Democratic Cambodia is an independent and sovereign country. The cause of the Cambodian people in steadfastly adhering to the five principles of peaceful coexistence and in protecting their national independence, sovereignty and territorial integrity is a just cause receiving sympathy and support from the world's people, far and wide.

The Chinese and Cambodian parties and peoples have always respected, supported and encouraged each other, have always paid attention to each other and forged a profound bond of friendship in the struggle against imperialism, colonialism and hegemony as well as in the socialist revolution and construction.

I sincerely hope that our friendship, like the inexhaustible strong current of the Yangtse and Mekong rivers and the rock-firm Great Wall and Angkor Wat, will endure forever.

In conclusion, I would like to express sincere thanks for the speech, filled with warm and cordial sentiments, that comrade Nuon Chea has just made. I thank all you comrades for your high appreciation of Comrade Chou En-lai.

As a revolutionary fighter of the proletariat Comrade Chou En-lai, who respected and followed the teachings of Chairman Mao, did what he had to do for the cause of the Cambodian revolution and China-Cambodia friendship.

SROK TUK MEAS PEASANTS CONTINUE RICE GROWING DRIVE

BK140806Y Phnom Penh Domestic Service in Cambodian 2300 GMT 12 Jan 78 BK

[Text] Srok Tuk Meas is located in Kampot sector, southwestern region. During the 1977 rainy season the cooperative peasants, after fully controlling the problems of water conservancy, fertilizer, rice seeds and insecticides, managed to plant the early-maturing, rainy season and last crops of the year with constant vigor.

The rainy season rice crop is now ripening. The fields are blanketed with its color. Some of their units are now harvesting, collecting and storing the rice grain rapidly to prevent harmful animals from eating or destroying the crop and enemies of all stripes from looting or destroying it. Another group is growing the dry season rice crop in worksites located along the canal which stretches from Phum Tuk Meas to Boeng Chamlang Chrey, along both banks of the canal from Pichmea to Prek Tnot, along the banks of the canal from Boeng (Tumlungkung) to Prek Tnot and near the Chrous Chey reservoir.

Our cooperative peasants in Srok Tuk Meas are planting this dry season rice crop both in large fields and small ones of 1 to 2 hectares, in order to use all available land and water.

Based on their lofty independence and self-reliance and with their powerful collective forces, our cooperative peasants in Srok Tuk Meas are determined to intensify their movement to increase production of this crop to the maximum in order to fulfill and even overfulfill the party-government plan, improve the livelihood of their cooperative members, support the Revolutionary Army now fighting to defend the country at the battle-front, and contribute to defending and making our Democratic Cambodia prosperous at a big-leap-forward speed.

RIVER TALKS HELD WITH THAI OFFICIALS 11 JAN

BK180559Y Vientiane Domestic Service in Lao 0430 GMT 18 Jan 78 BK

[Text] According to a report from Savannakhet Province, on 11 January a team of Lao specialists headed by Bounphan Vilakit, vice chairman of the Administrative Committee of Savannakhet Province, held a meeting with a team of Thai specialists headed by Somphon, governor of Nakhon Phanom Province, in Thailand's Mukdahan district opposite Savannakhet provincial town to discuss details on surveying the [Mekong] River and setting up of floating buoys on the navigational line in Keng Kabao area. The two sides agreed to cooperate in providing security for the river surveying operations unit. They also reached an agreement fixing a line of floating buoys in Keng Kabao. The meeting lasted 3 days.

Further reports say that on 1 February the Lao side will send another navigation specialists' team to Thailand to join with a Thai team in carrying out specific projects in line with the project on the Mekong River.

OFFICIALS ATTEND RECEPTION FOR HUNGARIAN DELEGATION

BK180332Y Vientiane Domestic Service in Lao 0000 GMT 18 Jan 78 BK

[Text] On the evening of 17 January Bela Benyei, ambassador of the Hungarian People's Republic to Laos, held a reception at the Hungarian Embassy in Vientiane in honor of the delegation of the Hungarian-Lao subcommission for economic, scientific and technical cooperation headed by Gyorgy Doro, vice chairman of the National Planning Office and vice chairman of the Joint Cooperation Committee of the Hungarian People's Republic, now visiting Laos. Attending the reception were Sanan Soutthichak, minister of communications, public works and transportation and chief of the Lao Committee for Cooperation with Socialist Countries; Ma Khaikhamphithoun, chief of the National Planning Committee; Khamphai Boupha, vice minister of foreign affairs; vice ministers; members of the Lao Committee for Cooperation With Socialist Countries; chiefs of various offices and directors general of departments attached to various ministries. The reception took place in an atmosphere of close friendship from beginning to end.

Cooperation Agreement Signed

BK190943Y Vientiane KPL in English 0928 GMT 19 Jan 78 BK

[Text] Vientiane, January 19 (KPL)--The delegation of the Lao Commission for Cooperation With Socialist Countries and that of the Hungarian subcommission of the Lao-Hungary Commission for Economic, Scientific and Technical Cooperation signed a document on economic, scientific and technical cooperation between the two countries in Vientiane yesterday. The signatories were Sanan Soutthichak, minister of communication, public works and transport and chairman of the Lao Commission for Cooperation with Socialist Countries; and Gyorgy Doro, vice chairman of the National Planning Office and head of the Hungarian delegation. Present at the signing ceremony on the Lao side were also representatives of the National Planning Commission, the Ministry of Communications, Public Works and Transport and the Ministry of Agriculture, Forestry and Irrigation, and other officials concerned. On the Hungarian side were members of the delegation and Bela Benyei, Hungarian ambassador to Laos. Under the document, Laos and Hungary will cooperate in cultivation, livestock breeding, irrigation, forestry and mining.

NEWSPAPERS REPORT CAMBODIAN ATTACKS ALONG BORDER

POST Report

BK190135Y Bangkok POST in English 19 Jan 78 p 3 BK

[Text] Four policemen and civilians were wounded and three houses damaged in a renewed attack by Cambodian troopers who lobbed mortar shells across the border into Ban Changnon and Klong Luk police station in Aranyaprathet district of Prachin Buri Province yesterday afternoon. A combined force of border police and policemen at Klong Luk police station returned fire and engaged in a three-hour battle with the Cambodians. The Cambodian troops were believed to have incurred severe casualties, according to reports. The wounded policemen were identified as Pvts Wichai Komdara and Phirat Wibunphan.

NATION REVIEW Report

BK190139Y Bangkok NATION REVIEW in English 19 Jan 78 p 3 BK

[Text] Aranyaprathet--Three soldiers were killed and two villagers injured in an attack by Cambodian soldiers at this border district of Prachin Buri yesterday. The Khmer Rouge fired mortars into Thailand at Klong Luk and Pratuchoi for nearly an hour, damaging three houses and killing three Thai soldiers.

ARMY SPOKESMAN ON CAMBODIAN, LAO BORDER SITUATION

BK190913Y Bangkok Domestic Service in Thai 0530 GMT 19 Jan 78 BK

[Army Secretary Col Wichit Bunyawat's 19 January statement on situation along Cambodian and Lao borders--recorded]

[Text] Sporadic incidents of harassment against Thai people along the border in the 1st Army Region's area of responsibility have been reported this month. For example, Cambodian soldiers have encroached on Thai territory to steal villagers' crops and to gather intelligence. They have shelled Thai territory and harassed Thai people harvesting paddy in the border areas. However, the situation is not as serious as it was in the previous month.

In the 2d Army Region's area of responsibility, Cambodian soldiers encroached on Thai territory in Si Sa Ket, Surin and Buriram Provinces to gather intelligence, rob Thai villagers and attack government border outposts. A serious incident took place on 12 January at about 2215 when about 100 Cambodian soldiers attacked the operational base of the Border Patrol Police Platoon No 305 and Tamiang village in Kap Choeng subdistrict, Surin Province. The battle lasted until 0400 of the following day before the Cambodian soldiers retreated, sustaining some casualties. Two Thai villagers were killed and a few policemen were wounded in the incident. The Cambodian soldiers robbed Thai villagers and set a number of houses afire.

The authorities have been trying to prevent Cambodian encroachment into Thailand in order to defend lives and personal property. We regard the maintenance of safety and defense of the people along the border as our most important duty. Therefore, the authorities have always appropriately countered any encroachment on our territory.

Next, I want to tell you about the situation along the border with Laos. No clashes between soldiers of the two countries have been reported this month. Local authorities of both countries have reached an accommodation in some border areas. For example, on 11 January, the governor of Nakhon Phanom Province and his party held a meeting with Lao officials headed by the deputy governor of Savannakhet Province at the meeting hall of Mukdahan district. The improvement of navigation, the repair of the navigation markers along the Mekong River, Lao refugee problems and the proposal to hold one meeting between Thai and Lao officials every month were discussed. The Lao side has agreed to take back Lao refugees who have fled into Thailand and have accepted the proposal of a monthly meeting for further consideration. Contact between the two countries at the provincial level should help improve the atmosphere and reduce border problems which, in turn, will lead to successful negotiations at the national level.

AGREEMENT WITH LAOS REACHED ON MEKONG NAVIGATIONAL SURVEYS

BK190732Y Bangkok Domestic Service in English 0000 GMT 19 Jan 78 BK

[Text] Under the auspices of the Mekong Committee, successful Thai-Lao talks were held at Mukdahan from 11 to 13 of January concerning the resumption of joint hydrographic surveying activities along the Mekong River by the end of January. The surveys will improve the safety of navigation. There are some dangerous rapids there, which are located 20 kms north of Savannakhet, where shipwrecks have occurred frequently. Only last month, for example, two 40-ton vessels were totally lost with their cargoes in those rapids. The Mekong Committee has obtained funds from the Netherlands to place beacon lights at suitable sites to mark the navigable channels. This is the first time since 1975 that the local authorities in the Mukdahan-Savannakhet area have been able to meet to discuss joint operations along the river. Apart from the technical success of the talks themselves, a byproduct has been the exchange of friendly visits across the river by the Thai and Laotian authorities leading to an agreement on measures to be applied to avoid misunderstandings along the river frontier.

CABINET APPROVES AID TO BORDER VICTIMS, INDONESIA SEABED PACT

BK190424Y Bangkok Domestic Service in English 0000 GMT 19 Jan 78 BK

[Text] The cabinet on 17 January approved the Ministry of Foreign Affairs' proposal to present 50,000 baht worth of assistance to the Government of India to help relieve damage caused by a recent cyclone in that country's state of Andhra Pradesh and Tamil Nadu. That tempest was reportedly the worst of the century. The cabinet at the same meeting also gave approval for an additional allocation of 671,000 baht for the relief of residents in the district of Aranyaprathet in Prachin Buri Province who have suffered as a result of intrusions by external forces. Also, the cabinet approved a proposal submitted by the Ministry of Foreign Affairs to ratify and exchange a note of ratification with the Government of Indonesia for agreement on the demarcation of the seabed in the Andaman Sea. The Thai ambassador to Indonesia on behalf of the Thai Government has already signed this agreement in Jakarta with the proper representatives of the Indonesian government.

MALAYSIAN GENERAL INSPECTS WARFARE CENTER

BK190921Y Bangkok Domestic Service in English 0000 GMT 19 Jan 78 BK

[Text] Gen Tan Sri Datuk Haji Mohamed Sany bin Haji Abdul Qafar, chief of the Malaysian Armed Forces Staff, and his party, yesterday morning left Don Muang Airport for Lop Buri to visit a special warfare center there.

In the afternoon the party proceeded to Chiang Mai where they will be staying until Friday. This morning the Malaysian armed forces dignitaries will be calling on the governor of Chiang Mai. The party will then be visiting the civilian, police and military joint intelligence center where they will be briefed on the security situation, the resettlement of hilltribes and the narcotic suppression campaign in that province. In the afternoon the party will go sightseeing to see various hand industries in San Kamphaeng district. The governor of Chiang Mai will host a dinner in honor of the party at the Chiang Inn Hotel this evening. Tomorrow on 20 January Gen Sany is scheduled to attend a Friday prayer at the Moslem mosque in Chiang Mai. He and his party will fly back to Bangkok tomorrow at 1500 and will leave for Kuala Lumpur on Sunday.

GOALS OF COMING KRIANGSAK VISIT TO ASEAN NATIONS REPORTED

BK190510Y Bangkok NATION REVIEW in English 19 Jan 78 p 1 BK

[Text] Tightening Thailand's relations with fellow ASEAN member countries in order to consolidate this regional grouping will be given priority during Prime Minister Kriangsak Chamanan's tour of Malaysia, Singapore, Indonesia and the Philippines next month. The other three objectives, informed official sources said, are: cultivating personal intimacy with leaders of the four countries and personally explaining policies of the Thai leaders; exchanging views on issues of common interest; and, illustrating the top priority Thailand is giving to ASEAN in regard to its foreign policies. The sources also said that Prime Minister Kriangsak also wants to sound out the latest opinions of ASEAN leaders in regard to normalisation of relations with Vietnam.

The Thai Government has already informed governments of the four ASEAN countries the four objectives of Gen Kriangsak's visit to their countries. "Official schedule will be fixed as soon as we have received confirmation from governments of the four countries," said one Thai official. This will be the first trip abroad of Gen Kriangsak in his capacity as prime minister.

SRI LANKA'S REQUEST FOR ASEAN MEMBERSHIP REPORTED

BK190339Y Bangkok NATION REVIEW in English 19 Jan 78 pp 1, 3 BK

[Excerpt] Sri Lanka has applied for membership in the Association of Southeast Asian Nations (ASEAN), an informed source in Bangkok disclosed yesterday. A few other countries in the Southeast Asian region and nearby countries also wish to join ASEAN, the source added without naming any of them. He said ASEAN is considering whether Sri Lanka can be regarded as a Southeast Asian nation. Geographically, however, Sri Lanka lies in South Asia. The source pointed out that ASEAN's popularity is growing worldwide and many developed countries have indicated their willingness to establish a dialogue with ASEAN.

POST URGES CONTINUING U.S. AID TO THAILAND

BK190401Y Bangkok POST in English 19 Jan 78 p 6 BK

[Editorial: "We Still Need U.S. Aid"]

[Text] U.S. congressmen and high-ranking U.S. officials have talked to the prime minister and seen for themselves the situation as it is in Thailand.

Their main interests were narcotics control and human rights. From all accounts, they appear to be satisfied with the government's performance in both fields. In contrast with last year, when another government was in power, Thailand has made tremendous progress regarding human rights. Newspapers have been allowed to criticise the government, and some columnists have become sarcastic without danger to themselves. Basic freedoms have been restored to the people and there is no feelings of restrictions. Demonstrators have been treated with understanding and reasonable demands have been granted.

It is believed that the U.S. officials responsible for human rights have been checking with other people, besides government officials, on the situation. We are certain that they have found Thailand to be one of the free countries in the developing world. The United States has to assist Thailand become self-reliant economically and in defence capability. We do not want U.S. manpower because we wish to defend our own country, but our forces have to be supplied with necessary equipment, weapons and ammunition.

Thailand has made significant contributions towards the suppression of the narcotics trade, but it needs greater international cooperation to defeat the traffickers. The United States has to obtain the cooperation of the Burmese Government, the Lao Government and the tribes of northern Burma which do not consider themselves to be under the control of Rangoon, besides that of our government, to put the stop to the flow of narcotics from the "Golden Triangle" to the outside world. American and United Nations cooperation is needed to provide the opium-planting hilltribes with substitute cash crops, and marketing facilities will also have to be organised for the new crops.

Thailand needs helicopters to track down movements of opium caravans, to spot heroin plants and to carry out lightning raids. The U.S. authorities will have to provide us with these aircraft. Because the narcotics trade has no national borders, closer cooperation among countries where opium is grown, countries through which drugs are transported and countries where narcotics are consumed, is vitally needed to effectively frustrate the "merchants of death."

RESPONSIBILITIES OF DEPUTY INTERIOR MINISTERS CHANGED

BK190526Y Bangkok POST in English 19 Jan 78 p 3 BK

[Text] Interior Minister Gen Kriangsak Chamanan issued an order yesterday rearranging authority over departments within the Interior Ministry among his three deputies. According to the order, Deputy Interior Minister Gen Prem Tinsulanon will have responsibility over the Local Administration Department, Police Department, Accelerated Rural Development Office, Provincial Electricity Authority and refugees centre.

Deputy Interior Minister Chamnong Thephatsadin na Ayutthaya is to control the Civic Works Department, Bangkok Metropolitan Administration, City Planning Office, National Housing Authority, Metropolitan Water Works Authority, Rapid Transit Authority of Thailand, Metropolitan Electricity Authority, Marketing Organization and works relating to immigration, nationalisation and deportation as well as the annual budget of the Interior Ministry.

Deputy Interior Minister Damri Ndihani will be responsible for the Public Prosecutions Department, Corrections Department, Public Welfare Department, Labour Department, Land Department, Community Development Department, and works concerning the revision of regulations, orders and laws under the jurisdiction of the Interior Ministry.

Gen Kriangsak, according to the order, will be in charge of the Interior Ministry's Office of the under-secretary of state for interior and the Policy and Planning Office.

RADIO: CAMBODIA REJECTS TALKS, CONTINUES VIOLATIONS

OW191127Y Hanoi International Service in English 1000 GMT 19 Jan 78 OW

[Unattributed Commentary]

[Text] Twenty days have passed since the government of the Socialist Republic of Vietnam issued a statement on the Vietnam-Cambodia border issue and proposed an early meeting between the two sides to solve this issue in a spirit of brotherhood. During this period, the Vietnamese side has twice proposed negotiations while the Cambodian side was urged by public opinion all over the world to start negotiations with Vietnam. It is regrettable that the Cambodian side is turning a cold shoulder still to the good will attitude of Vietnam and to the worlds of advice from all genuine friends. Worse, it continues to violate the territorial sovereignty of Vietnam, committing further crimes against the Vietnamese people. Between 9 and 17 January, Cambodian armed forces repeatedly encroached on Vietnamese territory in all the eight provinces that border on Cambodia. Until the afternoon of 17 January, they still held some areas in an Giang, Kien Giang and Long An Provinces. Meanwhile, Phnom Penh radio continues to raise hue and cry against what it calls "Vietnam's acts of expansion, aggression and subversion." Obviously, the Cambodian authorities are trying to make black white to turn their friends into foes, to reject negotiations and to continue the war. This is a very serious provocation against the good conscience of progressive mankind.

The Mexican newspaper UNIVERSAL pointed out on 11 January that this is a chauvinist and hostile campaign against Vietnam. Vietnam does not want war, the paper said, on one cherishes peace more than a nation which has undergone sufferings for decades. There is no doubt that after several decades of fighting, the Vietnamese people, now more than ever, want to heal the wounds of war and rebuild their country.

Our slogan at present is "all for socialist construction." To achieve this goal, Vietnam is carrying out a foreign policy of peace and friendship with all countries. Regarding her neighboring countries in Southeast Asia, Vietnam is ready to establish and develop relations of friendship and cooperation with them on the basis of respect for each other's independence, sovereignty and territorial integrity, noninterference in each other's internal affairs, equality, mutual benefit and peaceful coexistence. This correct policy has been warmly hailed by the governments of the Southeast Asian countries and public opinion all over the world. The fine result of Vietnamese Vice Premier and Foreign Minister Nguyen Duy Trinh's friendly visit to five Southeast Asian countries is another striking proof.

The Socialist Republic of Vietnam always hopes to strengthen and consolidate the solidarity and long-term cooperation and mutual help with Laos and Cambodia, the two brother nations who fought shoulder to shoulder with the Vietnamese people in the last struggle for the right of each nation to build its country according to its own policy.

Premier Pham Van Dong said: The more the Vietnamese people cherish their independence and freedom, the more they respect the independence and freedom of Cambodia. We are well aware that if a nation who dominates or oppresses another nation, it [words indistinct] freedom of its own. Such notions as expansion, aggression, or subversion are foreign to our policies. By making slanders against Vietnam, the Cambodian authorities hope to cover up their own dishonesty, deceive the Cambodian people and the people of the world in general. The Cambodian authorities also deceive themselves for they know better than anybody that justice is not on their side.

Sooner or later, the Cambodian authorities will have to answer to the Cambodian people and to history about their crimes against the Vietnamese people, crimes that are destroying the brotherly relations between Vietnam and Cambodia.

The only correct way for the Cambodian authorities to act now is to discontinue their slander campaign against Vietnam, stop distorting facts, refrain from further encroachments on the Vietnamese territory, and cease to commit further crimes against the Vietnamese people. Instead, they should show themselves willing to negotiate with the Socialist Republic of Vietnam for a peaceful settlement to the border issue in a spirit of brotherhood. It is not too late now to sit down at the negotiating table. If they refuse, the Cambodian authorities must bear full responsibility for their acts.

PLAN TO CREATE 'INDOCHINESE FEDERATION' DENIED

BK181536Y Hong Kong AFP in English 1526 GMT 18 Jan 78 BK

[Text] Hanoi, 18 Jan (AFP)--Vietnam today formally denied that it wanted to create an "Indochinese Federation". AFP asked the Foreign Ministry's Press Department to comment on a statement by Cambodian Premier Pol Pot that if "Vietnam gives up its policy of expansion and its ideal of setting up an Indochinese federation, friendship between the two countries will return". A spokesman for the Press Department replied: "Radio Phnom Penh comes up with conditions that keep changing". One of these conditions, the spokesman said, concerned a "so-called Indochinese federation" which would place "Cambodia under Vietnamese domination."

In his exclusive statement to the French news agency, the spokesman recalled that the Indochinese federation had been created by French colonialism which, "after having divided Vietnam into three countries", included them in a federation "called French Indochina". He went on, "The three peoples of Indochina, under the leadership of the Indochinese Communist Party, united to struggle against this colonial domination". After the August 1945 revolution, the three peoples formed three national united fronts.

The spokesman declared: "At the second Indochinese Communist Party congress, in line with the progress of the struggle in the three countries, it was decided to found three separate parties: the Vietnamese Workers Party, the Lao People's Revolutionary Party and the Cambodian People's Revolutionary Party". He recalled that "under the respective leadership of these three parties", the three peoples fought against "the French and American imperialists" and there had never been "any question of forming an Indochinese federation, even less of forming one to the advantage of Vietnam".

The press spokesman repeated Vietnam's policy toward Laos and Cambodia: "It is to strengthen our militant solidarity, to develop the special relations between the three countries...so that the three countries tightly linked in the national liberation struggle should remain so forever in their national building and defence efforts, in the interests of their respective independence and prosperity". All this went to show "that the leaders of Cambodia are making baseless accusations with the hope of deceiving public opinion, justifying their hostile acts against Vietnam and their refusal to solve the border problem through peaceful negotiations", the spokesman said.

9-17 JAN CAMBODIAN BORDER VIOLATIONS REPORTED

OW181659Y Hanoi VNA in English 1625 GMT 18 Jan 78 OW

[Text] Hanoi VNA January 18--The Cambodian authorities continue to send armed forces to violate Vietnam's territorial sovereignty and commit new crimes against the Vietnamese people.

At 8 o'clock on January 9, [a] Cambodian battalion crossed the borders and attacked post No. 21 of the Vietnamese People's Armed Security Force in the central highlands province of Gia Lai-Kontum and another Vietnamese armed security unit stationed 3 kilometers further north. The local Vietnamese armed forces fought in self-defence and drove the intruders back across the border.

On January 10, the Cambodian armed forces nibbled at areas southwest of Thong Binh and Song Trang in Long An Province, lobbed mortar shells on Lo Go post of the Vietnamese Armed Security Force in Tay Ninh Province and six times fired cannon shells at many places from the Sam Mountain to Tinh Bien in An Giang Province, causing serious losses in lives and property to the Vietnamese people.

On January 11, a Cambodian battalion crossed the border and assaulted Dinh Ba area in Dong Thap Province but it had to pull back as they came under fire from the Vietnamese armed forces. At 5 am that day, regiments 12 and 14 of the Cambodian Division 2 crossed the border and attacked the areas south and northeast of Tinh Bien town in An Giang Province, killing and wounding 23 Vietnamese civilians, burning 213 houses and many tons of rice and looting 30 cattle. Under the local Vietnamese armed forces' riposte, they had to withdraw to Cambodian territory, after taking 215 casualties. Later, these areas were shelled by many artillery batteries positioned deep in Cambodian territory.

On January 11-12, many small groups of Cambodian armed forces crossed the border and reconnoitred many places in Gia Lai-Kontum and Tay Ninh Provinces. Meanwhile, Cambodia artillery and mortar shells hit a number of places in Kien Giang Province.

On January 12, Cambodian troops intruded into an area south of Hoa Lu post of the Vietnamese Armed Security Force in Song Be Province, and wounded two civilians. Another Cambodian company nibbled at western Long Thuan village in Tay Ninh province. They all were repulsed across the border. On the same day, Cambodian troops, covered by artillery, attacked Phu Hoi and Nhon Hung areas in An Giang Province but were thrown back into Cambodian territory from where they opened artillery fire on these areas.

On January 13, two Cambodian battalions attacked Phu Are in An Giang Province but were driven off Vietnamese territory by the local forces. Another Cambodian battalion staged a nibbling operation on the same day in Ban Lum, Tranh and Khout areas in Tay Ninh Province, which are two 2 kilometres inside Vietnamese territory.

On January 14, a Cambodian platoon launched a surprise attack on post number 7 of the People's Armed Security Force in the highlands province of Dac Lac; it was driven out of Vietnamese territory. The following day, the Cambodian armed forces again slammed mortar fire on this post. The same day, a Cambodian platoon intruded into Loc Ha area in Tay Ninh Province, Vietnamese territory. They were promptly wiped out by the Vietnamese regional armed forces. At 6 pm on January 14, a Cambodian battalion nibbled at Moc Hoa area, Long An Province, about 3 km east of the border. The Vietnamese side fought back and repulsed them across the border.

On January 15 and 16, a Cambodian company made a surprise attack on Thuc Muc area, Tay Ninh Province. On January 15, a Cambodian battalion nibbled at Khanh An and Khanh Binh areas in An Giang Province. The Vietnamese side fought back, wiped out 91 intruders and captured many weapons. On January 16, four Cambodian battalions nibbled at Phu Cuong area, An Giang Province, while two other companies, nibbled at the area south of Vinh Te canal in Kien Giang Province.

More serious still on the morning of January 17, the Cambodian side mustered a multi-battalion force in a border area opposite Hung Dien in Vietnam's Long An Province, then sent part of that force to Vam Don, Vam Kinh and Bo Nau, almost 20 km inside Vietnamese territory. Until yesterday afternoon (January 17), the Cambodian forces held a number of localities in Vietnamese territory such as the area south of Vinh Te canal in Kien Giang Province, Tinh Bien, Phu Cuong, Binh Di and Khanh Hoa, in An Giang Province, and Hong Dien in Long An Province.

It is stark clear that the more the Vietnamese people show patience, self-restraint and an ardent desire for early negotiations to settle the border issue, the more Cambodia presses ahead with its actions, very grossly encroaching on Vietnamese territory and perpetrating barbarous crimes against the Vietnamese people. These criminal actions run counter to the national interests of the Cambodian people themselves, sabotage the fraternal friendship between the peoples of the two countries, and only benefit the imperialists and the world reactionaries, and harm the interest of peace in this region. The Vietnamese people demand that the Cambodian authorities immediately stop their encroachments of Vietnamese territory and immediately withdraw their armed forces from Vietnamese territory. If they continue to commit crimes and stubbornly refuse to negotiate, they must bear full responsibility for all the consequences of their actions.

NHAN DAN GREET'S VPA'S 33D FOUNDING ANNIVERSARY

BK181113Y Hanoi NHAN DAN in Vietnamese 22 Dec 77 pp 1, 6 BK

[NHAN DAN 22 December editorial: "Firmly Hold the Guns in Hands, Always Ready To Outstandingly Fulfill All Missions". A shorter version of this editorial appeared in the 23 December DAILY REPORT, page K 11]

[Text] Today, with profound pride and strong confidence, all our people and combatants nationwide are greeting the 33d founding anniversary of the VPA.

Coming into existence and growing into maturity during the high tide of the national liberation revolution, founded, trained and led by the party and great President Ho Chi Minh, and trusted, loved, reared and assisted by the entire people, our army has become invincible. It has won glorious victories and outstandingly fulfilled the historic and glorious mission of completely defeating the aggressive, imperialist forces and liberating and unifying the country.

As a core force in the two wars of resistance, throughout the 30 years of continuous fighting, our army joined the people's militia, self-defense and guerrilla forces and all patriots in scoring resounding achievements, adding the most glorious pages to our nation's history of struggle against foreign aggression. Our army's and people's glorious exploits were also the immortal exploits of the oppressed peoples in the great struggle against imperialism and colonialism for the independence and freedom of nations and for socialism.

The revolutionary nature and the glorious heroic tradition of our army shine forever with our Vietnamese fatherland. As the party Central Committee's report presented to the fourth party congress has pointed out, "The party values very highly the exploits of the army in the recent great patriotic resistance war. The party is convinced that the army will forever remain reliable in defending the fatherland and is at the same time an excellent army of construction workers and a great school for training youth into a new-type of people."

In the new revolutionary stage of our country, our people's armed forces must strive to make the most positive contributions to the successful implementation of the fourth party congress resolution, satisfactorily fulfill its two tasks of being ready to defend the fatherland and of building material and technical bases of socialism, strengthening the economy and national defense and improving the living standards of our people.

After many decades of fighting full of sacrifices and hardships, our people fervently wish to live peacefully so that they can concentrate their talent and energy on building the country and shaping a new way of life. However, the current world situation is still complex. Despite their heavy and shameful defeat, the U.S. imperialists have not yet renounced their scheme to dominate the countries of Southeast Asia. They are now carrying out a malicious scheme to maintain their presence in this region by gathering reactionary forces to check all forces who are struggling for independence, democracy and neutrality in this region. Our people and army have constantly heightened vigilance and consolidated national defense and are ready to defend the fatherland's territory, airspace and territorial waters. To demonstrate the iron will of our people, our people's armed forces have firmly maintained their heroic revolutionary tradition, studied and trained themselves day and night, firmly held their guns day and night and constantly strengthened their fighting power. Our army is vigorously advancing on the path of standardization and modernization in order to be forever worthy as a core force of the Socialist Republic of Vietnam in building a modern, all-people national defense. Our party and government have paid constant attention to further increasing our people's armed forces, of broad mass character, in all localities, vigorously and steadily developing the self-defense and militia forces and seeing to it that these forces are well trained and combat ready and, when necessary, promptly and fully meet the requirements for expanding and replenishing the regular army. Our people's armed forces are now stronger and firmer than ever.

Building the economy is one of the most important duties of the army. Being a firm and strong organization equipped with strict revolutionary discipline, with the sense of socialist collective ownership and with fairly good material and technical bases, our army is making important contributions to national construction.

It has scored many great achievements and made fairly quick progress on this new front. Over the past 2 years and more, our combatants have upheld the self-reliant and self-strengthening spirit, overcome difficulties and worked selflessly on the agricultural, industry and communications and transportation front. Many large units have opened thousands of hectares of virgin land, zoned off large areas for growing rice and produced tens of thousands of tons of grain and food products. Many units have successfully built many enterprises producing construction materials, thus helping to overcome difficulties in the country. Many other units have participated in building the Thong Nhat railway, the Truong Son route and other automobile roads.

Our cadres and combatants are also studying and training day and night in an effort to outstandingly perform economic and scientific and technical tasks in order to be worthy as a heroic combat army and an excellent working army.

All exploits and achievements scored by the people's armed forces must be attributed to our party's correct and creative line. Under party leadership, our army will forever remain an army of the people and for the people. Our cadres and combatants have fought heroically, devoted themselves to their tasks and enthusiastically engaged in productive labor. They have loved, assisted and protected the people in all circumstances--during the war as well as in peace and in favorable times as well as at difficult moments.

Imbued with the spirit of proletarian internationalism, our army stood side by side with the Lao and Cambodian revolutionary armed forces in the struggle against the common enemy--aggressive imperialism--for the independence and freedom of each respective country. Our army will forever maintain this beautiful tradition.

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VIETNAM

Solidarity and identity of views within the army and mutual respect and love between cadres and combatants are the nature and the invincible strength of a revolutionary army.

Our army has paid constant attention to strengthening solidarity within itself and between it and the people. It has firmly maintained the "fish lives in water" tradition, which means that the people--or water--give birth to and feed the troops and the latter--or fish--are the sons and brothers of the people, fighting for the fatherland and people and standing ready to defend them.

Conscious of their noble duties toward the country and imbued with the venerable and beloved Uncle Ho's precious teachings, the cadres and combatants of our people's armed forces will forever be worthy as the sons of the people, who are "loyal to the party and the people, fulfill all tasks, overcome all difficulties and defeat all enemies."

16 JAN LAO SPC-COUNCIL OF MINISTERS MEETING REPORTED

BK181308Y Hanoi Domestic Service in Vietnamese 1100 GMT 18 Jan 78 BK

[Text] On 16 January the Supreme People's Council and the Council of Ministers of the LPDR held a joint conference under the chairmanship of President of the state, concurrently president of the Supreme People's Council Souphanouvong. The conference reviewed the situation at home and abroad in the recent past and set forth immediate tasks for the Lao armed forces and people, particularly the task of stepping up the various emulation movements to fulfil the state plan.

NHAN DAN COMMENTS ON ISRAELI-EGYPTIAN TALKS

OW190805Y Hanoi VNA in English 0720 GMT 19 Jan 78 OW

[Text] Hanoi VNA Jan. 19--Tel Aviv's stubborn attitude did not change a bit at the Jerusalem conference, and its expansionist designs were the same, remarks NHAN DAN today. "Again, the United States intervened, but that did not help ease tension at the conference," the paper notes. "The vague U.S. proposal for the withdrawal of Israeli troops was meant to evade the Arab demand for a complete and unconditional pullout of Tel Aviv's troops from all occupied Arab territories," says the paper. It goes on: "Concerning the Palestine question--the key to peace in the whole region--the U.S. formula was even more vague. It did not say what the Palestinian people's legitimate rights were, and entirely ignored the Palestine Liberation Organization." "Prospects of the Washington-staged Israel-Egypt negotiations are very dim indeed," the paper says.

Quoting a western report that Egyptian delegates "packed the bags and headed for home on January 18," NHAN DAN stresses: "The Arab community will accept no irresponsible concession to the Zionist enemy who is asking for the impossible: both peace and security and Arab territories for Israel." "A clear answer to this has been given by the Palestinian resistance led by the PLO and the progressive Arab front formed at the Tripoli conference: no separate solution. The Arab people will continue the struggle for the Palestinian people's sacred national rights and the recovery of all occupied Arab territories," NHAN DAN concludes.

CONFERENCE ON NEOCOLONIALIST CULTURE CLOSING 17 JAN

OW181721Y Hanoi VNA in English 1555 GMT 18 Jan 78 OW

[Text] Hanoi VNA January 18--The first national conference on eradication of the vestiges of neocolonialist culture closed yesterday after 4 days sitting in Ho Chi Minh City.

About 300 delegates of cultural and art circles from the whole country heard nearly 30 speeches unmasking the features, designs, manoeuvres and nature of neocolonialist culture in south Vietnam formerly and its vestiges in the present society. The conference also decided on the direction and measures to eradicate these vestiges.

WORK WITH WAR INVALIDS, MISSING SOLDIERS REVIEWED

BK180618Y Hanoi Domestic Service in Vietnamese 0400 GMT 16 Jan 78 BK

[Text] The Ministry of War Invalids and Social Welfare recently convened a conference to review its work in 1977. The task related to disabled or fallen soldiers was the ministry's main concern in 1977, while work with discharged soldiers and soldiers re-assigned to nonmilitary duties was a new and major task. Throughout the country, satisfactory results were obtained in fulfilling these two tasks.

As of 30 November 1977, the southern provinces had overfulfilled the set annual norms for confirming the status of fallen combatants by 14 percent. Quant Nam-Da Nang, Nghia Binh, Long An and Tien Giang provinces and Ho Chi Minh City overfulfilled the norms by 51.6 to 89.3 percent. Many families of fallen combatants whose status has been confirmed have fully enjoyed the benefits accorded them. Some 8,836 persons have had their war invalid status confirmed and benefits granted. Quant Nam-Da Nang, Nghia Binh, Ben Tre and Gia Lai-Cong Tum Provinces have overfulfilled the yearly norms by 60 to 124 percent.

The northern provinces have basically completed the notification of death of soldiers reported missing in action. They have implemented the policy toward families and have confirmed or reexamined the disability status of 8,770 disabled soldiers. In 1977, these provinces have provided employment for 5,930 disabled soldiers, overfulfilling set norms by 9 percent. Moreover, they have provided and repaired equipment such as artificial limbs for 11,118 disabled cadres and civilians. Much progress has been made in caring for seriously disabled soldiers, rehabilitating their work ability and employing them in production.

In 1977, aside from these results in the work related to disabled soldiers and social welfare, including tasks related to the war dead, disabled soldiers and soldiers re-assigned to nonmilitary duties, there were still many problems to be solved. The confirmation of the status of disabled or fallen combatants in the south, which is an important task, has still not been completed. The implementation of regulations on confirmed cases of disability has been inadequate and job placement has encountered many difficulties.

In 1978, the southern provinces must strive to concentrate on continuing to confirm the status of and grant benefits to disabled soldiers and to the families of fallen combatants and must actively and satisfactorily carry out tasks related to combatants killed or reported missing in action. Meanwhile, the northern provinces must promptly fulfill the task of granting benefits to the remaining disabled soldiers and families of soldiers killed or reported missing in action during the two wars of resistance.

Attention must also be paid in both parts of the country to providing jobs for disabled soldiers, consolidating their production establishments and quickly controlling the rehabilitation of their work ability. It is necessary to continue to register and manage discharged soldiers and soldiers reassigned to nonmilitary duties and to satisfactorily implement policies toward them. This will make them enthusiastic in developing the nature and tradition of the army and satisfactorily developing their own abilities in building the economy and in national defense.

MALAYSIA

OFFICIAL REFUTES VOMR COMMENTS ON KEDAH SITUATION

BK171035Y Hong Kong AFP in English 0623 GMT 17 Jan 78 BK

[Text] Alor Star (Kedah), Jan. 17 (AFP)--The clandestine Communist Party of Malaya radio Voice of the Malayan Revolution broadcast a distorted report on the current drought situation in Kedah State bordering Thailand, Deputy Prime Minister Dr. Mahathir bin Mohamed said here last night. He said the radio had claimed that the Muda Agricultural Development Authority (MADA) had stopped water supply to cause hardship among the farmers. "The communists and anti-nationals are trying to exploit the situation and want to see the farmers create trouble and go against the government", Dr. Mahathir said.

Several thousands of acres of land had been hit by drought and the government had allocated over \$6 million for immediate relief for the farmers affected. The deputy prime minister called on the people to be united, to face the drought situation. The government was providing alternate employment for those hit by the drought, he added.

Text of Cited VOMR Report

BK181325Y Voice of the Malayan Revolution [Clandestine] in Malay to Malaysia and Singapore 1030 GMT 24 Dec 77 BK

[Unattributed report: "Peasants in Kedah and Perak Protest Reactionary Government's Cheating"]

[Text] At Kampong Sematang Gunung near Alor Star, Kedah State, 200 peasants live on 300 relong [1 relong equals one and 1/3 acres] of paddyfield. The village is located in an area under the jurisdiction of the Muda Agricultural Development Authority [MADA], and the peasants pay irrigation canal taxes every year. However, they have never received any water. Whenever they complain, MADA adopts an indifferent attitude. They have, however, continued their tax collection.

In August the peasants went to see the MADA officials. Aware of their wrongdoing, the officials agreed to build a watergate to solve the village's water problem. However, this easy solution stayed on paper. Until now the peasants have depended on the weather. During the long drought this year, some paddyfields turned dry and were overrun with weeds. The peasants managed to plant paddy in some places; however, the paddy plants wilted and eventually died. Lack of water prevented the peasants from bringing in a harvest. The entire village suffered a total loss of 14,000 ringgit, averaging more than 700 ringgit per family.

The number of MADA irrigation ditches can be counted on one's fingers. Most of the peasants rent 2 to 3 relong and earn 20 to 30 ringgit per month. In spite of their hard, year-around labor they cannot get enough to eat in this time of skyrocketing prices. Faced with disaster, they have no other way to earn a living. Nevertheless, the reactionary government, which boasts about eliminating poverty, has not only failed to build a watergate which could solve the irrigation problem but has ever increased the irrigation water tax from 6 to 12 ringgit.

The reactionary government's crime is that it ignores the peasants' misery. This makes the people angry; criticisms and arguments are heard everywhere.

This region is under the jurisdiction of the puppet parliament represented by UMNO Secretary General Senu Bin Abdul Rahman. When he launched his election campaign for Pasu constituency, he traveled around making empty promises.

The peasants are now in a miserable state. They have no water for their rice. They don't even have any water to cook rice. Nevertheless, they are forced to pay the irrigation tax because Senu bin Abdul Rahman has done nothing to help them.

Thus the peasants have learned something about the evils of bureaucrats and politicians working against the people. The farmers now angrily denounce them.

Some 5 years ago the reactionary government developed a water pump project in lower Perak, at the bank of the Batang Padang River, at a cost of 600,000 ringgit. At the time the bureaucrats and politicians boasted that the project could irrigate some 700 acres of ricefield. They said the peasants could harvest the crop even during a drought or flood. They also said that the local peasants' income would increase and from that time on the peasants would enjoy prosperity.

The corrupt authorities of the reactionary government pocket all the money they handle. Therefore the irrigation project which cost the government so much money, exists only on paper. Due to this corruption, maintenance of the water pumps was also neglected. Only two low-horsepower water pumps have been installed, capable of irrigating only a small area. The water pumps are also of inferior quality, break down frequently and are repaired only occasionally.

When there is no rain the ricefields dry up and seedlings die; the paddy plants wilt. The peasants in this region lead a hard life because their paddy harvests have decreased in size year after year. Their living condition is even more miserable because their crop was damaged by disease this year.

However, the reactionary government does nothing to alleviate these disasters. Instead it continues collecting property and irrigation taxes without reducing them even a cent. The bureaucrats and politicians even shamelessly pocket the money themselves. They brag that it is their efforts which bring the government needed money to develop the irrigation project for the welfare of the people.

The miserable peasants have lost their temper and vented their anger against these people. With their emotions aroused, they have exposed these corrupt practices and refused to pay the rice tax.

Fearing that the people's anger could not be contained, the puppet deputy minister of agriculture and his colleagues personally came to calm the people down. As soon as he arrived at Cenderung, hundreds of peasants from every corner of Sungai Manik and Labuk Kubung came to voice their protest and opposition.

Since the deputy minister did not know how to handle the peasants who assembled there with their emotions aroused, he ordered the official in charge of irrigation to speak on his behalf. Ignoring the facts, he told the peasants that the water pumps are able to pump enough water and that the water shortage is caused by the peasants themselves, who waste too much water on their ricefields.

Not only have the peasants become victims of disasters, but they are also blamed for them. This angers them, of course. Their reverberating voices have turned the dialog into chaos.

The authorities are worried and uneasy over the situation. The deputy minister of agriculture was compelled to bring along his colleagues to the water pump site while hundreds of enraged peasants followed. He tried to deceive the peasants there, but the situation turned out different. He could no longer pretend that he had ordered the irrigation personnel to repair the damaged water pumps and replace another one. The peasants, who are frequently deceived by the authorities, resolutely demanded that he fulfill his promise. Only then did he concede.

SINGAPORE

RADIO REPORTS ARRIVAL OF 'BRILLIG' YACHT FROM VIETNAM

Crew Member's Remarks

EK191425Y Singapore Domestic Service in English 1130 GMT 19 Jan 78 BK

[Text] The American yacht "Brillig", released by the Vietnamese after almost 3 months detention, is now in Singapore. The 11-ton American-registered vessel with its three crew was captured off the Vietnamese coast in October while heading toward the United States from Thailand.

Vietnam said the yacht was seized because it had violated Vietnamese territorial waters. Another reason given by Vietnam for jailing the crew was that the yacht had a quantity of marijuana on board.

Miss Cornelia Dellenbaugh, the only woman member of the crew, was interviewed by RTS [Radio-Television Singapore] on board the yacht, now anchored off Pasir Panjang. She said she and her colleagues left Ho Chi Minh City on the 12th of this month for Singapore. She said they will be in Singapore for 3 weeks before leaving for America. Miss Dellenbaugh refused to comment on the Vietnamese charges.

AFP Report

EK190619Y Hong Kong AFP in English 0614 GMT 19 Jan 78 BK

[Text] Singapore, Jan. 19 (AFP)--The American Yacht, Brillig, arrived here this morning from Vietnam where it was detained by the authorities for more than three months. The yacht is now berthed at the Singapore Yacht Club, but its three crew members were not on board. Their whereabouts are not known.

Several newsmen and cameramen have been waiting for the yacht since the early hours of the morning at various entry points in Singapore. After hours of checking, the yacht was finally traced to the club (one of two in Singapore).

It was believed that the crew members were met and taken away by U.S. Embassy officials, though the embassy spokesman denied any knowledge of the yacht except that it was due here this morning. Only yesterday afternoon, the embassy spokesman had been telling newsmen that the yacht was not expected here till late tonight or tomorrow morning.

The three crew members, Charles Affel, Leland Dickerman and Miss Cornelia Dellenbaugh were detained by Vietnamese authorities on Oct 12 last year while on their way from Thailand to the United States. Unconfirmed reports said they were charged with possession of drugs and fined. The yacht was released on Jan 4 but could not put out to sea till last Thursday because of bad weather.

When a newsman contacted Charles Affel, he said the American embassy has asked them not to talk to the press. But an American embassy spokesman flatly denied any such instruction. He said the only contact between the embassy and the crewmen was a visit by a consular official, apparently a normal routing to offer any assistance needed from the embassy.

The three crew members have been given 2 weeks visa by Singapore Immigration authorities, but the embassy was not aware how long they will stay or what their destination is.

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